



Infinity Water Solutions

BLUE CIRCULAR ECONOMY FINANCING FRAMEWORK

October 2024

STATEMENT OF CONFIDENTIALITY

This framework has been prepared for Moody's. All information contained herein is strictly confidential and should not be shared without the approval of Infinity Water Solutions.

www.water.energy

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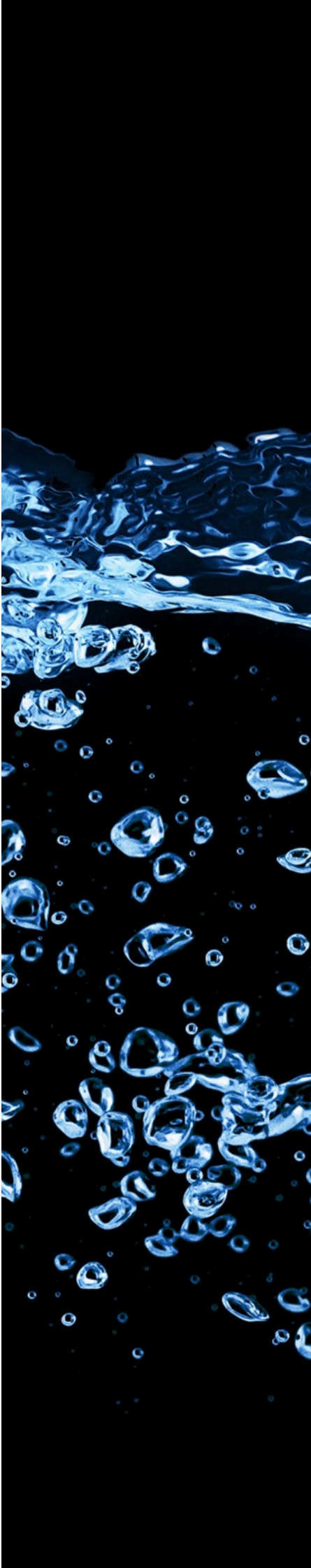
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1. Infinity Water Solutions Disclaimer and Safe Harbor Statement

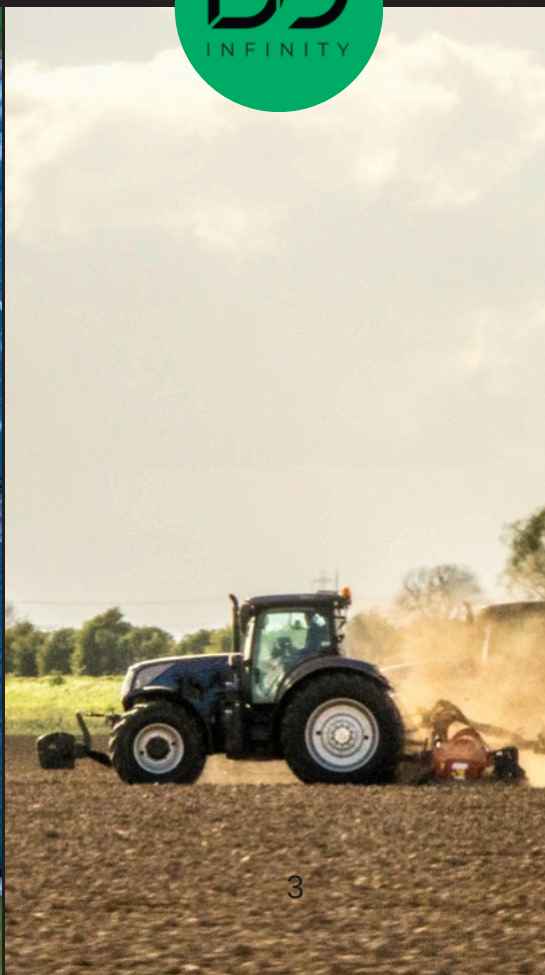
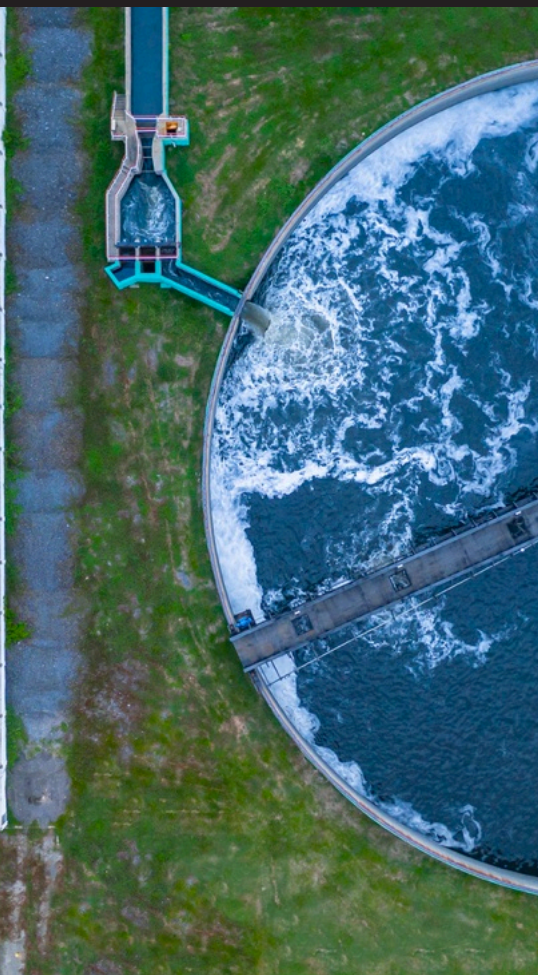
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2. Company Overview

Infinity Water Solutions, LLC ("Infinity") is a technology, sustainability, and water management company headquartered in Austin, Texas. Founded in 2019, we help our customers significantly reduce their freshwater consumption and carbon footprints by reclaiming and reimagining their relationship with water.

We operate closed-loop water-sharing networks, water recycling systems, and wastewater treatment assets in some of the most water-stressed environments across the Americas. Our ultimate goal is to deliver long-term value to our customers, the environment, and the communities in which we operate. Through our wholly-owned subsidiary, Enchantment Water, LLC ("Enchantment"), we have treated approximately 14,000,000 barrels (bbl) of water since 2020 at our Eddy and Lea County, New Mexico facilities, and are significantly expanding our footprint in the region.

As cross-industry pioneers, we are transforming wastewater management by reshaping the recycling, reuse, and resource recovery process across a myriad of industries including the energy, industrial, manufacturing, and agricultural sectors. Our mission is to protect and preserve the planet's most critical resource – water – for future generations by accelerating the adoption and impact of green infrastructure and clean technology to enhance water security, sustainability, and resiliency globally.

We have developed a novel and scalable framework to more efficiently manage industry wastewater, calling it "waste source to resource." This concept envisions the world's first-ever "water terminaling" system – a network of wastewater gathering, treatment, and inventory fulfillment facilities designed to fundamentally reshape how water and its derivatives are sourced and consumed. By reducing our customers' dependence on increasingly scarce freshwater resources and providing renewable alternatives, Infinity is accelerating in-house conservation efforts and furthering the sustainability goals of its customers.

Ultimately, we expect to bring our solutions to bear on a variety of industries—a vision endorsed by policymakers, environmentalists, and economists alike. We call it a blue economy—an economic renaissance propelled by water—and, beyond profit, it fosters community development, environmental sustainability, and social well-being.

Our Commitment and the Infinity Water Pledge can best be described on our website at <https://water.energy/reuse/>. Key highlights of our approach are summarized below.

Enabling circularity: Recycling 100% of water gathered by our system with 1:1 recycling per water barrel consumed through proprietary design and technology.

Fostering a blue economy and natural resource conservation: Closed loop, peer-to-peer water sharing with high volume water storage capacity. Every barrel we recycle prevents an equivalent amount of surface or groundwater from being extracted.

Pollution control and no discharge: State-of-the art water treatment solutions with zero-liquid discharge, helping to end traditional disposal, such as deep well injection/saltwater disposal and its relative impacts on seismicity and groundwater.

Emissions reduction: Our network displaces existing industry water trucking practices, reducing emissions and infrastructure wear while improving the safety and health of roadside communities.

Innovation: Advancing water refining and reuse to suit the varying needs and specifications in industrial applications, mineral mining, desalination, and non-consumptive agricultural irrigation.

Advocacy: Active engagement with policy-makers, regulators, customers, and communities to foster water-sharing across diverse industrial applications. We seek to demonstrate it is possible to achieve complete water reuse not only in the energy sector, but well beyond.

2.1 Existing Operations

As a major water recycler in one of the most significant oil and gas basins in the world, Infinity has demonstrated success in managing significant amounts of raw and recycled produced water.

Today, with two facilities and 125,000 barrels per day (bpd) of treatment capacity, 3 million barrels of inventory and storage, and agreements spanning 130,000 acres, the company has recycled more than 14 million barrels of produced water (500+ million gallons of freshwater).

Under Project Hydro Harbor, Infinity is building an innovative water infrastructure network that will employ advanced technologies to manage, mine, and manufacture freshwater alternatives. Using a variety of modalities, including treatment, filtration, extraction, and desalination, these water recycling facilities will accelerate mother nature's water cycle, expediting reuse opportunities while condensing the time it takes wastewater to be back in "play".

By the end of 2025, Infinity's network will include seven interconnected recycling facilities with more than 800,000 cumulative barrels of daily treatment capacity and more than 38 million barrels of staging across 105 miles of pipeline. The result will be both an industry-wide reduction in the depletion of freshwater resources and an actual (and substantial) contribution to the amount of water available per capita, specifically in Southeastern New Mexico.



2.2 Water: A State of Play in New Mexico

According to the National Oceanic and Atmospheric Administration (NOAA), about 97% of Earth's water is saltwater, and less than one percent is freshwater available for daily supply needs¹. This inherently makes fresh water a constrained resource, further stressed by climate change, industrial and agricultural consumption, inefficiencies, pollution, and ecosystem degradation. The World Wildlife Fund finds that 1.1 billion people worldwide lack access to water. By 2025, it is estimated that two-thirds of the world's population may face water shortages².

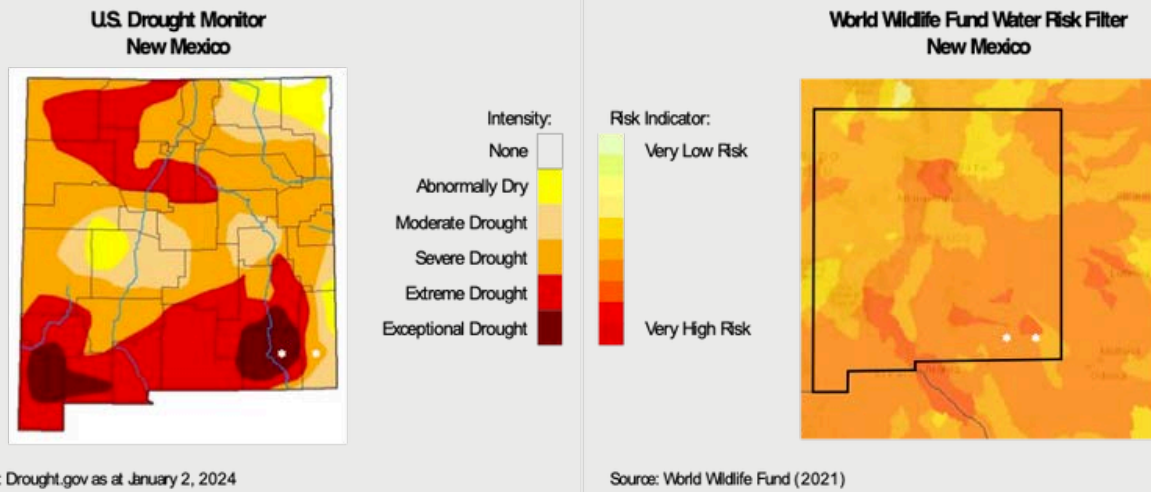
Infinity operates in one of the most water-stressed regions in the world, the American Southwest. According to an analysis by the World Resources Institute, New Mexico ranks as the sole state exhibiting "extremely high risk of water stress" in the United States³. Our locations in Lea and Eddy Counties are among the most drought and water stress exposed in the state of New Mexico, designated by the USDA as Primary Natural Disaster Areas due to drought⁴.

1. National Oceanic and Atmospheric Administration, "[How much water is in the ocean?](#)"

2. World Wildlife Fund, "[Water Scarcity: Overview](#)"

3. The University of Pennsylvania Water Center, "[From Water Stress to Water Scarcity](#)"

4. U.S. Department of Agriculture Farm Service Agency, "[USDA Designates 33 New Mexico Counties as Primary Natural Disaster Areas](#)"



According to New Mexico Governor Michelle Lujan Grisham, by the time a Class of 2024 high school graduate reaches retirement age, New Mexico will have 25% less water than it does today in its already water-stressed communities, farms, and wilderness areas. In a letter to residents of the state, the governor notes, “[t]he science is clear: Precipitation will be more variable and extreme. Snowpack, runoff, and aquifer recharge will decline, stressing surface water and groundwater supplies. Higher temperatures and greater aridity will dry landscapes, leading to more extreme wildfires and increased erosion.”⁵

In January 2024, the state launched its 50-year Water Action Plan⁶. The plan outlines key actions toward water conservation, water & watershed protection, and – critically – securing new water supplies. The state is seeking to promote technological advances to make water treatment more economically viable, particularly when it comes to highly-saline and underground brackish and produced water. The plan emphasizes the need for treatment of wastewater from industrial processes to remove harmful pollutants so the treated water may be used to offset demand for freshwater—a need Infinity is well positioned to serve.

Synthesis of Relevant Components of New Mexico 50-Year Water Action Plan

New Mexico will become the first state in the country to establish a State Strategic Water Supply that offers advanced market commitments to mitigate market risks through state commitments to purchase treated water from selected projects to build new desalination plants and produced water treatment plants in New Mexico. The program allocates funds to help private operators accelerate infrastructure build-out supporting the conversion of brackish groundwater and oil and gas sector wastewater to valuable resources. Depending on the quality of the treated water and associated regulatory standards, the state would be able to use or sell the auxiliary water for a range of specified purposes, for example, recharge a depleted freshwater aquifer with desalinated brackish water or use treated wastewater to develop and store renewable energy. These nonrenewable additional sources of water will greatly bolster water security by addressing near and long-term future water supply needs without increasing demand on the state’s diminishing freshwater resources.

New Mexico’s policy innovations will spur significant capital investments in new water treatment infrastructure and help to accelerate ongoing research and development for inland desalination and produced water treatment and reuse. The state is focused on comprehensive water reuse rules for potable and non-potable reuse of treated wastewater, including, but not limited to, continued implementation of the Produced Water Act, which was enacted in 2019 to spur greater reuse of produced water, by developing rigorous science-based standards and permitting requirements to protect the environment and public health. In addition, the priority actions below demonstrate the state’s commitment to ensuring each new investment in new sources of water is grounded in strong science and data and subject to regulatory frameworks that protect public health and foster accountability.

5. The State of New Mexico, “[Water Security in New Mexico](#)”

6. New Mexico Office of the Governor, “[50-YEAR WATER ACTION PLAN](#)”

“

Turning this waste product into a commodity is good for preserving freshwater resources, good for compact requirements with other states, good for conservation purposes, good for local and county governments. It's good for small and large producers, it's good for agriculture. It's good for New Mexico, and it represents an exciting leap forward.”

New Mexico Gov. Michelle Lujan Grisham

On the announcement of a consortium of state agencies focused on produced water treatment and reuse in 2019

The energy industry is one of the largest water consumers and wastewater generators in the areas where we operate and around the world (15 million barrels per day). The industry produces wastewater at a ratio of four to seven times⁷ the amount of energy it extracts. Historically, this water has been considered a byproduct of the industry, a waste stream often disposed of “downhole” – a practice now widely linked to seismicity and groundwater contamination. As highlighted by the New Mexico 50-Year Water Action Plan, the amount of wastewater produced presents a significant responsibility for treatment and pollution control, and a significant opportunity to shore up access to water resources and reduce the need to pull from freshwater sources. Infinity is well positioned with proprietary technologies to help end traditional disposal (e.g. saltwater disposal/reinjection facilities), treat water to a non-potable freshwater standard, help alleviate the water stress the region faces, and foster a circular blue economy serving a diverse set of water users.

Use Case: Pecos River Depletion & Restoration

Infinity's water recycling and reclamation technologies play a crucial role in addressing the health of local habitats, such as the Pecos River and the ecosystems that depend on it. By reducing freshwater extraction for industrial and agricultural uses, Infinity helps preserve the river's water supply, minimizing the diversion of water from natural ecosystems. This, in turn, supports the long-term restoration of aquatic habitats and benefits endangered species such as the Rio Grande cutthroat trout, contributing to the protection of biodiversity within the river system.

Infinity's advanced water treatment technologies also mitigate contamination, preventing pollutants from being discharged into the river. This enhances water quality, reducing the risk of fish kills and improving the river's overall capacity to support aquatic life. These efforts contribute to the ongoing rehabilitation of the river, preserving vital freshwater resources and protecting aquatic biodiversity.

The ecosystems surrounding the Pecos River, which are home to species like the critically

7. New Mexico Environment Department, "Produced Water Factsheet"

endangered Mexican spotted owl, northern goshawk, elk, black bear, and mountain lion, also benefit from Infinity's water management practices. By conserving freshwater and preventing land degradation through sustainable water treatment, Infinity ensures the continued viability of these habitats.

The company's technologies also help reduce the environmental pressures caused by overuse and pollution, fostering more sustainable agricultural and industrial practices.

Through responsible water management, Infinity not only preserves biodiversity but also contributes to reforestation and habitat conservation efforts.

By working closely with local stakeholders and authorities, Infinity promotes water use practices that are sustainable and conducive to ecosystem health. These efforts support both the protection of aquatic environments and the resilience of land-based ecosystems, helping to mitigate climate change impacts and ensure the long-term sustainability of critical habitats.



Use Case: City of Jal and Alamogordo

Our technology buttresses the statewide plan for water security and represents a lifeline to the communities more proximate to our operations. In the City of Jal⁸, citizen water usage is supply-driven rather than demand driven. There is not adequate water supply to provide the public with an acceptable level of typical water use needs.

Ground water makes up nearly half of the total water annually withdrawn for all uses in new Mexico, including agriculture and industry, and until recently has been one of the only practicable sources of water in much of the state. Similarly, due to significant hydrological, geological and New Mexico Office of the State Engineer (NMOSE) administrative limits on local groundwater supply, the City of Alamogordo has had to develop a water desalination plant – the Alamogordo Regional Water Supply Project (ARWSP) – to treat brackish water to a potable standard – a practice that could soon be adopted by other cities like Jal, Hobbs and Carlsbad.

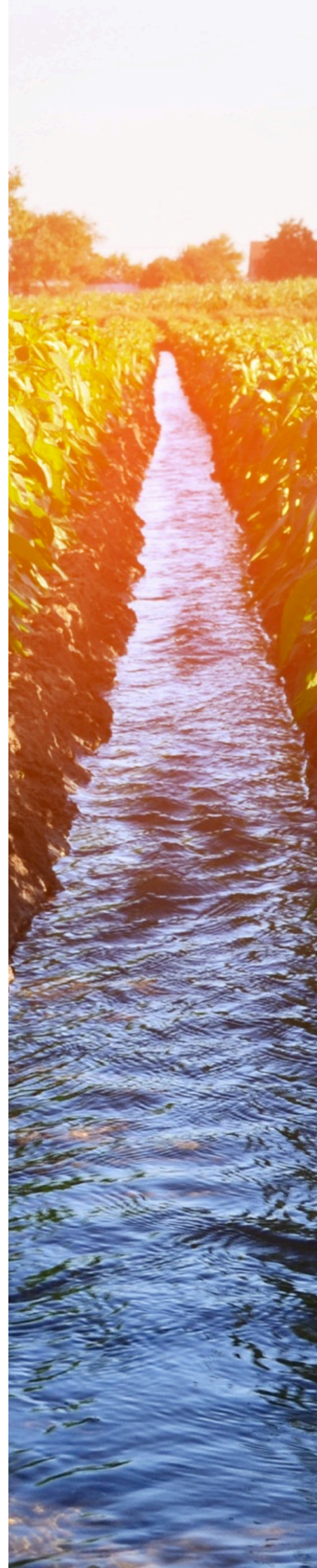
As we scale our operations, we will provide a new source of water for industrial and agricultural operations that will reduce the demand for groundwater and surface water, allowing citizens in water-stressed communities around New Mexico to responsibly increase their consumption and enjoy a new standard of living and water security.

Infinity's patented technologies to treat produced water assets to a clean brine standard can be coupled with various desalination modalities to produce a non-potable fresh water commodity that is cleaner and less toxic than many drinking waters in metropolitan areas⁹.

For example, once desalinated, treated produced water can be responsibly utilized to replenish groundwater resources (i.e., aquifer recharge), as well as being discharged into bodies of freshwater (i.e., Pecos River) or onto textile and food crops.

8. Reuters: "[In arid New Mexico, rural towns eye treated oil wastewater as a solution to drought](#)"

9. Hildenbrand et al., [unpublished](#)



2.3 Our Process

360° Closed-Loop Water Management: Our closed-loop water management system is designed to enhance water security, sustainability, and resiliency. Infinity uses green infrastructure and clean technology to manage the water and wastewater needs of our clients, specifically those in the Permian Basin.

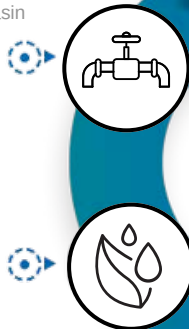
By alleviating our clients' dependency on freshwater, and recycling and reusing produced water, Infinity is accelerating conservation rates and enabling our clients to make progress towards their own sustainability goals.



Closed-Loop Water Management

Water Gathering

Affordable water recapture / wastewater water intake from customers in the Permian Basin



Water Staging

Large-volume water storage and warehousing, contributing to water conservation



Water Sourcing

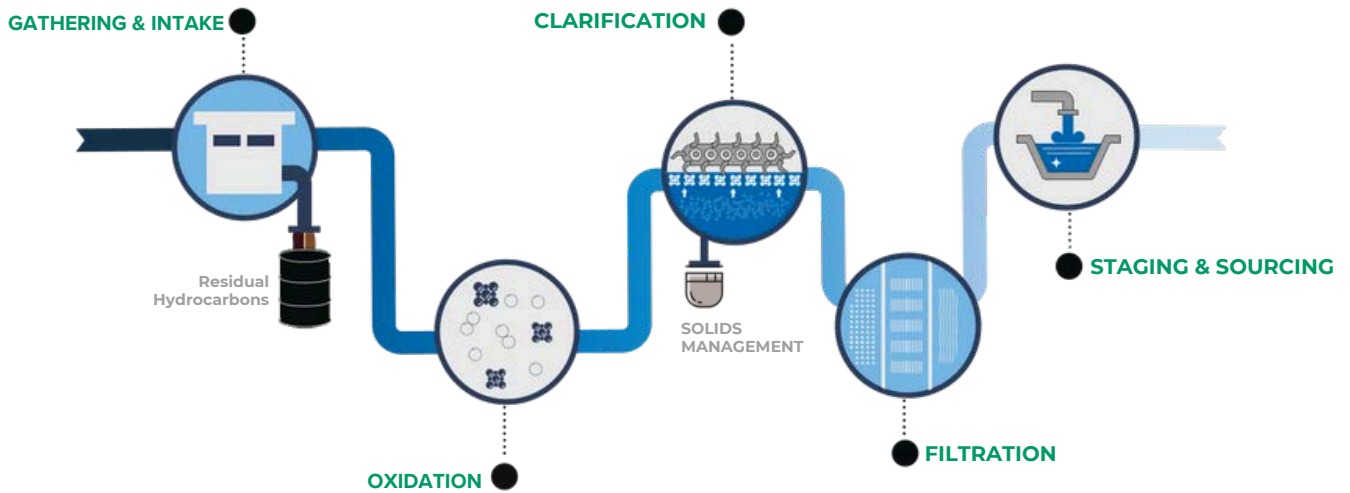
On-demand water fulfillment. Reliable and consistent water sourcing for our customers.

Water Recycling

We recycle 100% of what we gather for reuse using Infinity's proprietary design and technology

Our Technology

Using a network of independent, yet connected facilities, we are able to reach a large footprint and deliver water solutions when our customers need them. Equipped with state-of-the-art technology and proven industry efficiencies, each Infinity recycling facility is designed to store record-breaking volumes while also delivering the highest levels of water quality, consistently.



Our treatment process is engineered to clean the harshest of mixtures and address the turbidity, pH, total suspended solids (TSS), and oxidation-reduced potential (ORP) of produced water. This multi-layered approach not only removes the residual hydrocarbon elements from our intake, but also other constituents such as heavy metals, organics, and suspended solids that are often amassed. Unlike other processes, we value the critical minerals and other valuable elements found within this “waste” stream. We seek to recover these resources / ancillary byproducts during water refinement. This helps us invest further in our operations and make water recycling more economical for our clients.

TREATMENT SPECIFICATIONS

Water Quality & KPIs

Below are the estimated treatment results for the constituents of concerns based on the conceptual process outlined above.

INFLUENT WATER CHARACTERISTICS				
PARAMETER	UNIT	LOW	AVG	HIGH
Oil Inlet (OIW)	mg/l	20	200	500
Iron	mg/l	50	70	150
Total Suspended Solids (TSS)	mg/l	100	200	1,000
Total Dissolved Solid (TDS)	mg/l	120,000	175,000	300,000
pH		5.8		8.2
Temperature	F	60°		100°

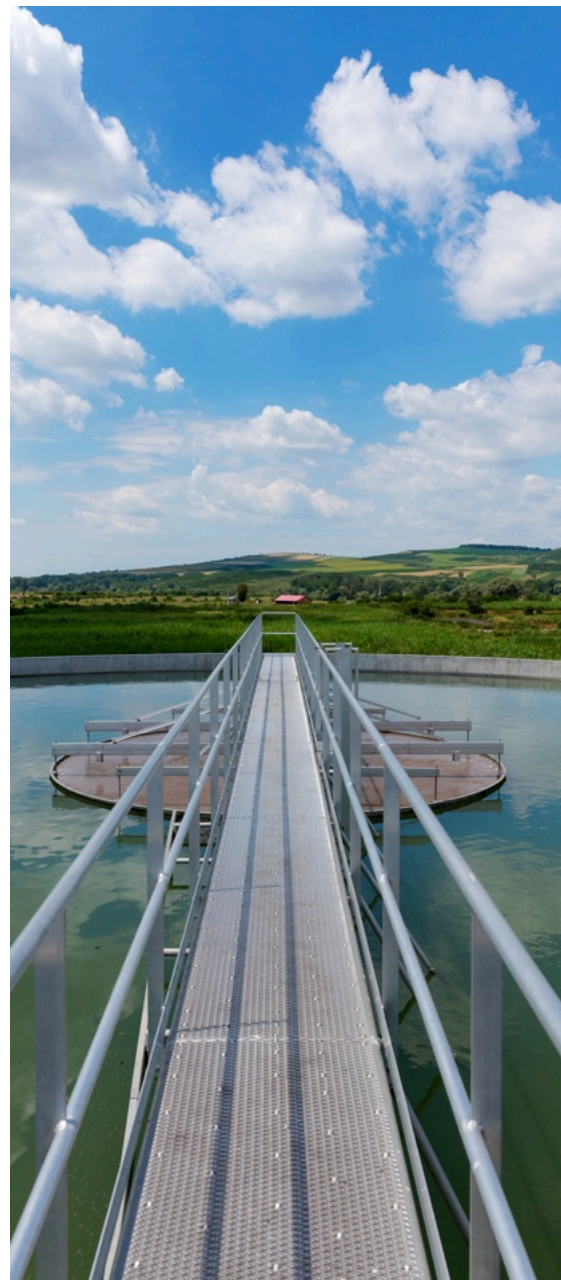
EFFLUENT WATER REQUIREMENTS		
PARAMETER	UNIT	MEASUREMENT
Oil Inlet (OIW)	mg/l	< 10
Iron	mg/l	< 2
Turbidity	NTU	< 10
ORP	mV	> 350
Residual Chlorine	mg/l	< 1
pH		6.0 – 8.0

Left: Various ranges of water quality⁹ that IWS currently accepts and treats at its facilities in Eddy and Lea counties for reuse in the energy industry.

While the standards above are considered best practice within the energy industry, Infinity is committed to advancing its technologies and capabilities to treat water for broader applications. As part of our research and development efforts, we are exploring desalination and advanced oxidation processes to refine recycled produced water to a non-potable freshwater state. This water can be repurposed for irrigation, industrial and manufacturing uses, and even for environmental discharge, making it suitable for a variety of non-oil and gas sectors.

The following are internal key performance indicators for the treatment of raw produced water into clean brine. It is important to note that if clean brine is to be subsequently treated to a non-potable freshwater standard through desalination, then iron and total dissolved solids (TDS) must be below 0.3 and 500 mg/L, respectively¹⁰. Additionally, oil in water (OIW) must be undetectable. These performance indicators are consistent with the Environmental Protection Agency’s Safe Drinking Water Act (SDWA).

	Drinking water (mg/L) (EPA SDWA)	Agricultural irrigation (mg/L) (EPA)	Livestock (mg/L) (FAO)	Production well stimulation (mg/L) (Hildenbrand et al., 2018; Wasylishen and Fulton, 2012)
TDS	500	450		
PH	6.5–8.5	6.5–8.4		6.0–8.0
TSS				500
Total nitrogen	44.3			
Fluoride	4	1	2	
Chloride	250	92		30,000–50,000
Bromide				
Nitrate	44.3	5	90	
Nitrite			10	
Nitrate + nitrite			100	
Sulfate	250		1000	500
Bicarbonate		91.5		300
Silica				35
Silver (Ag)	0.1			
Aluminum (Al)	0.05–0.2	5	5	
Arsenic (As)	0.01	0.1	0.2	
Boron (B)		0.7	5	10
Barium (Ba)	2			20
Beryllium (Be)	0.004	0.1	0.1	
Calcium (Ca)				2000
Cadmium (Cd)	0.005	0.01	0.05	
Cobalt (Co)		0.05	1	
Chromium (Cr)	0.1	0.1	1	
Copper (Cu)	1.3	0.2	0.5	
Iron (Fe)	0.3	5		10
Mercury (Hg)	0.002		0.01	
Lithium (Li)		2.5		
Magnesium (Mg)				2000
Manganese (Mn)	0.05	0.2	0.05	
Molybdenum (Mo)	0.04	0.01	0.3	
Sodium (Na)	20	69	1000	
Nickel (Ni)	0.1	0.2		
Lead (Pb)		5	1	
Antimony (Sb)	0.006			
Selenium (Se)	0.05	0.02	0.05	
Strontium (Sr)	4			
Thallium (Tl)	0.002			
Uranium (U)	0.03			
Vanadium (V)		0.1	0.1	
Zinc (Zn)	5	2	24	
Benzene	0.005			
Dichloromethane	0.005			
Ethylbenzene	0.7			
Toluene	1			
Total xylenes	10			



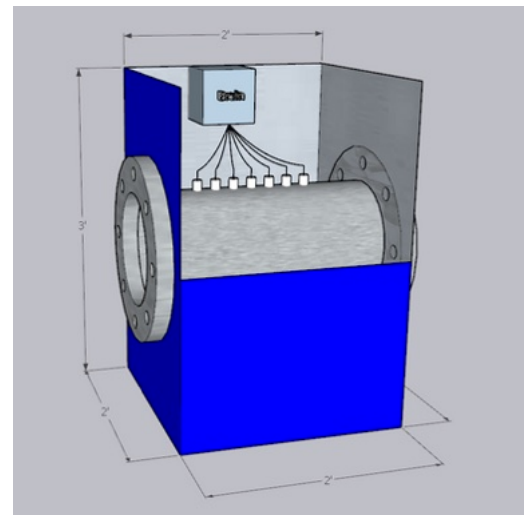
10. From Liden et al., 2018 Sci. Tot Environ. 643

2.4 Research and Development Efforts

We are dedicated to ongoing research and development to support innovation in treatment technologies, environmental monitoring, and water logistics. One initiative we're furthering is our proprietary¹¹ Hyperozonation (HO) process which introduces ozone in a novel way. It is just one way we're expanding our product offerings to address an array of challenges, while also expanding the value chain and industries we serve.

Another initiative is **SpeedWise Water**. Partnering with Quantum Reservoir Impact, LLC ("QRI"), Infinity is creating a proprietary predictive process to forecast future water market trends, analyze treatment methods and constituent concentration levels, and optimize logistics with minimum spoilage.

SpeedWise Water is an Artificial Intelligence (AI) and machine-learning software designed to help analyze water quality and quantity coming from a given basin. It leverages cloud-based technology to analyze the geological and production attributes of an operator's well, resulting in cost savings, enhanced environmental benefits and more efficient capital expenditures for customers and Infinity.



Finally, paired with SpeedWise Water is Infinity's proprietary hard-technology called the pHat Box. The pHat Box, currently in Beta, is a sensor box that can quickly and cost-effectively measure the constituents present in wastewater.

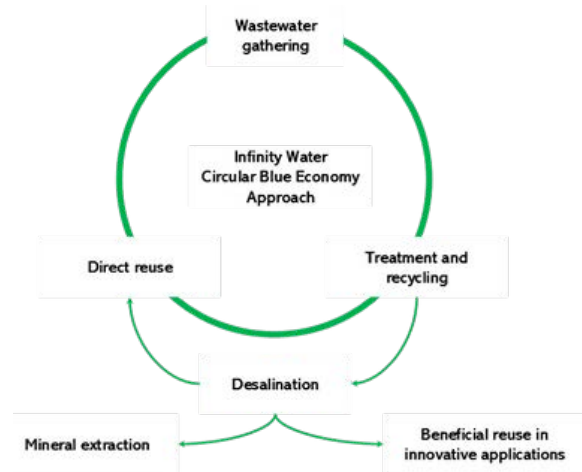
These sensors offer real-time monitoring and reporting. Data collected is sent for control and analysis, and any anomaly in a particular property is reported out. This way, sensors enhance process efficiency and product quality, while also ensuring treatment methods comply with best practices.

This level of data collection will serve as intelligence for our water analysis and metrics. It can also be a valuable resource and tool for regulators and environmental agencies looking to collect and/or require operators to report water quality characteristics.

11. US Patent No. 1,520,156; US Patent No. 11,827,546; Derivative Patent Pending

2.5 Water Treatment Market

Around the world, freshwater is a fundamental commodity found in nearly every step of the manufacturing and production process. For many of these sectors, there is a far better, more environmentally-friendly and economically-feasible alternative: recycled water.



2.6 Industry Offenders

Agriculture consumes about 72% of freshwater in commercial applications, followed by diversified industry at 16%, and domestic/residential at 12%¹². The top industrial water users include food and beverage, chemicals, primary metals, paper, and refined petroleum¹³.

Wastewater recycling is a multi-billion-dollar market, agnostic of industry. Sizeable and, yet, significantly de-risked based on Infinity's proven track record to-date. While the energy sector is a starting point for Infinity as a high-volume water user in our current area of operation, we view it more as a proving ground for our technologies and business model. Our technologies and networks are built to serve other industrial verticals and can easily be integrated to improve food waste processing, leachate collection, mining operations, alternative energies, and critical mineral recovery.

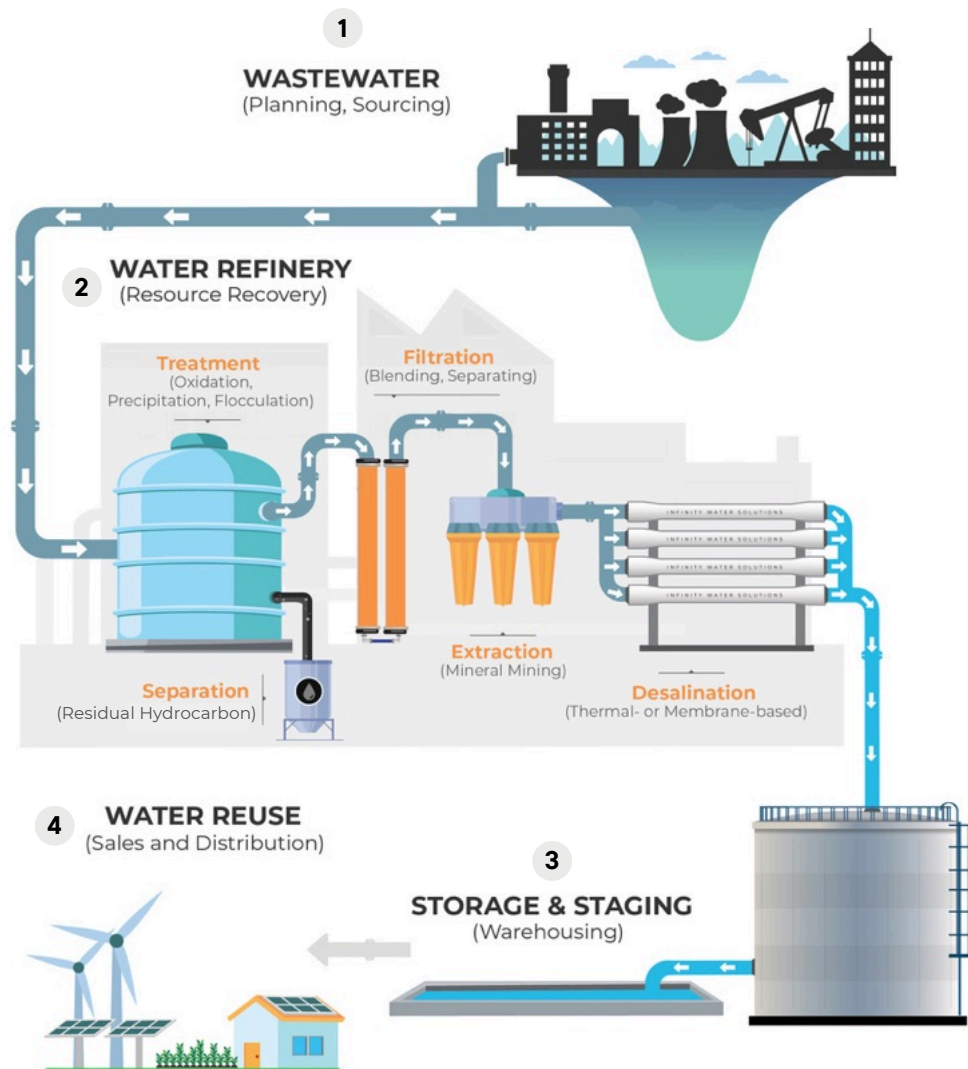


12. The World Bank Group, "Strains on freshwater resources: The impact of food production on water consumption"

13. United States Geological Survey, "Industrial Water Use"

Resource Recovery

At Infinity, water is only half of the equation. Our focus goes beyond direct water reuse; we also value the derivative minerals, metals and hydrocarbons found within the same “waste” stream. It is these ancillary byproducts – resources recovered during refinement – that provide a greater level of economic assurance and help subsidize the cost of water treatment. It is the full value chain of water (shown below) that offers a more sustainable water future. We call it a blue economy – an economic renaissance propelled by water – and currently, it stands as a more imminent reality than a mere figment of imagination.



Forever Chemicals




Additionally, using our novel treatment systems – equipped with advanced oxidation and filtration – Infinity’s solutions can be extremely effective at removing and remediating a wide range of hydrocarbon contaminants from various water matrices. These include, but are not limited to, linear and aromatic petroleum hydrocarbons (i.e., tetradecane and benzene, respectively), polyaromatic hydrocarbons (i.e., naphthalene), and per- and polyfluoroalkyl substances (PFAS, i.e., PFOS and PFOA).

In particular, PFAS are regarded as ‘forever chemicals’ as they do not breakdown naturally in the environment and represent a recalcitrant class of contaminants that is currently plaguing wastewater treatment plants (WWTPs) around the world.

3. Sustainability

3.1 Governance

3.1.1 Management Oversight

Executive	Headshot	Background	Sustainability Focus
<p>Michael Dyson</p> <p>Chief Executive Officer</p>		<p>A seasoned entrepreneur and venture capitalist, Mike has a proven track record of driving early-stage project growth and development, having founded or co-founded seven top-tier operations, including Infinity. As a second-generation energy professional, he has spent more than two decades working in the water, technology and real estate space, often connecting all three.</p>	<p>Mike has laid out a comprehensive vision for the company to be an ESG leader and use innovative technology as an industry disruptor in addressing pressing environmental concerns related to water, climate, and pollution.</p>
<p>Chris Caudill</p> <p>President & Chief Financial Officer</p>		<p>Chris Caudill is an energy executive with more than 15 years of commercial and finance experience. Prior to co-founding Infinity, Chris was a senior executive at PPC Acquisition Co., an EnCap Investments portfolio company in the Permian Basin which had a successful exit in 2017.</p>	<p>Chris is actively engaged with the impact investor and lender communities on furthering sustainable solutions in the energy sector and beyond.</p>
<p>Whitney Dobson</p> <p>Chief Operating Officer</p>		<p>Whitney Dobson, Chief Operating Officer (COO) of Infinity, is an accomplished chemical engineer with proven expertise in developing innovative water infrastructure systems. With a foundation in the reduction of nuclear waste using wiped film evaporation technology, Whitney transitioned her focus to advancements in water infrastructure specifically tailored for oil and gas operators.</p>	<p>Whitney helps Infinity maintain its strong track record of excellence in safety and environmental compliance within operations as well as innovate new solutions that enable a circular blue economy in the Southwest.</p>

Executive

Headshot

Background

Sustainability Focus

Dr. Zacariah Hildenbrand

Chief Scientific Officer



Dr. Zacariah Hildenbrand received a Bachelors of Science degree (BSc.) in chemistry (2007) and a Doctorate (Ph.D.) in biochemistry (2010) from the University of Texas at El Paso. His research has targeted understanding the causes of environmental contamination events and developing effective remediation strategies.

Zacariah plays a pivotal role in driving innovation in water treatment technologies. His work ensures technologies meet the highest environmental standards and facilitate responsible reuse and recycling of water. By integrating circular economy principles, Zac minimizes waste and maximizes resource recovery and operational efficiency.

Jordan Kramer

Chief Commercial Officer



Prior to Infinity, Jordan Kramer was co-founder of PPC Acquisition Co., an Encap Investments portfolio company, that led to a successful exit of Delaware Basin oil & gas assets.

Jordan is focused on helping clients identify opportunities to help them meet their water and net zero goals.

Ashley Kegley Whitehead

Chief Communications Officer

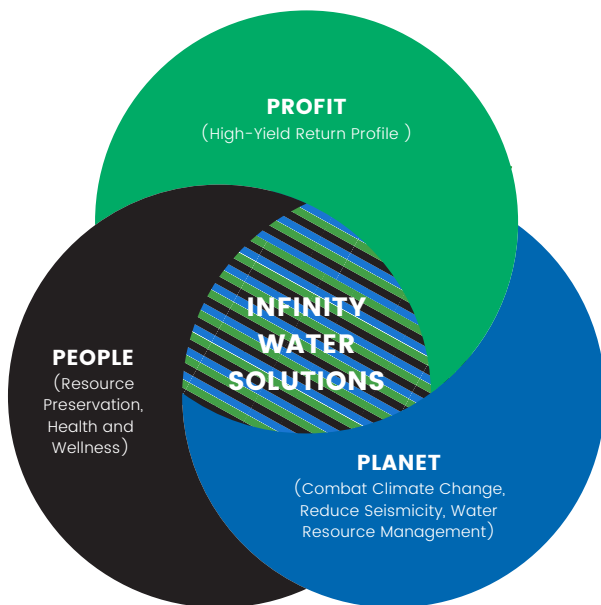


Having secured more than \$2.6 billion dollars through a number of integrated bond elections, Ashley's work lives at the intersection of community and impact. As the former co-founder of an infrastructure-focused PR firm, she has led marketing and policy efforts for innovative industries and technologies including autonomous vehicles, hotel home-sharing, ridesharing and, now, water recycling.

Ashley is working closely with government authorities to help foster a more sustainable regulatory landscape. Her work focuses on water conservation, pollution control, and water sharing, ensuring that policies not only protect the environment but also promote responsible resource management.

3.1.2 Management Oversight

At Infinity, our board governance is centered on the belief that sustainability and profitability go hand in hand. We do not see these goals as mutually exclusive; instead, we believe that the most effective and enduring sustainability efforts balance business growth, community well-being, and environmental stewardship. As indicated in the illustration below, our business is a balanced blend of these three central priorities.



The board, in collaboration with senior management, provides oversight on sustainability initiatives and ensures that our operations align with our core values of responsible resource management and long-term environmental stewardship. This approach ensures that our strategies drive innovation and financial performance while fostering positive impacts on the communities we serve and the ecosystems we protect.

3.2 Environmental Impact

Water scarcity is a concern in nearly every region of the world, and though the challenge presents globally, the solutions lie locally.

Water demand is exceeding supply in Arizona, New Mexico, Colorado, Nebraska, California, and Idaho¹⁴. Freshwater overuse and water pollution result in environmental degradation in the depletion of groundwater reserves, the drying up of rivers and lakes, and the loss of aquatic systems.

Our undivided focus is to grow our network so that we may continue to reduce our customers' consumption of scarce freshwater and reimagine wastewater as a new resource. The energy industry generates 291 billion gallons of new water each year – or 594,000 Olympic-sized swimming pools of new water. Infinity has the technology to treat and manage wastewater to enable its reuse, not only by the energy industry but across other industrial, commercial, and agricultural sectors that are increasingly critical applications for sustainable development as part of the broader energy transition.

We are actively working with clients in the below highlighted sectors to innovate fit-for-purpose water recycling and delivery solutions suited to their particular needs:



14. [The Washington Post, "Here's where water is running out in the world – and why"](#)

An analysis by the New Mexico State University highlights several fit-for-purpose use cases including rangeland rehabilitation, agriculture and livestock production, road construction, industrial applications, hard rock and solutions mining, mineral extraction, municipal landscaping (parks, golf courses), and water supply augmentation¹⁵. Use cases featured by the State of New Mexico under its Strategic Water Supply initiative include green hydrogen; storing energy produced by wind and solar; and manufacturing EVs, microchips, solar panels, and wind turbines¹⁶. As an example of another use case, in June 2023, Infinity announced its work to supply non-potable fresh water for an agricultural application growing non-consumptive crops near the Eddy-Lea county line¹⁷.

Our solutions actively address a series of environmental problems faced by the communities we serve, including the following:

<p><u>Freshwater Scarcity</u></p> <p>100% closed-loop water recycling system with water sharing network</p> <p>High-volume storage capacity</p>	<p><u>Induced Seismicity</u></p> <p>No disposal/liquid discharge</p> <p>Helping end controversial disposal techniques that contribute to earthquakes and contamination in the region</p>	<p><u>Water Conflict / Competition</u></p> <p>Peer-to-peer water sharing with high-volume storage</p> <p>Innovating to serve emerging industries in a water scarce environment</p>
<p><u>Pollution & Groundwater Contamination</u></p> <p>State of the art water treatment to a non-potable fresh water standard</p> <p>Zero liquid discharge</p> <p>Active engagement with regulators to foster enhanced standards for water quality and sharing in the region</p>	<p><u>Emissions and Climate Action</u></p> <p>Displacing water trucking practices</p> <p>Helping customers reduce operational emissions attributable to their use/throughput of water</p>	<p><u>Just & Inclusive Energy Transition</u></p> <p>Supporting energy clients in reducing their operational emissions while innovating to enable water-dependent alternative energies and critical materials</p> <p>Helping to reduce the emissions and environmental footprint of bridge fuels and backup generation for renewables</p>
<p><u>Environmental Degradation</u></p> <p>Contributing to alleviation of pressure on and pollution in surface water and groundwater resources and the ecosystems and communities dependent on them</p>	<p><u>Environmental Justice</u></p> <p>Supporting reduction of emissions and pollutants impacting fence line and rural communities</p> <p>Enabling equitable access to attractive green jobs, especially in areas denoted as Opportunity Zones</p>	<p><u>Circular Blue Economy</u></p> <p>Enabling jobs in green water infrastructure</p> <p>Enabling emerging industries with water needs to operate and employ in water scarce regions</p>

15. New Mexico Produced Water Research Consortium, "Fit-for-Purpose Use of Produced Water"

16. New Mexico Office of the Governor, "Gov. Lujan Grisham to establish first-of-its-kind Strategic Water Supply - \$500 million investment will leverage advanced market commitments"

17. Infinity Water Solutions, "Oilfield wastewater used to grow hemp? New Mexico working toward alternatives to disposal"

3.3 Socioeconomic Impact

Nothing is more important to us than operational HSE management. At Infinity, we take the health and safety of workers, as well as environmental compliance, seriously. As a liaison for our clients between the water management team and the production team, our operational processes and preparedness plans mitigate vulnerabilities and risks every step of the way. Our goal is to protect our employees and our clients' people, our collective assets, and the environment we are all a part of.

We recognize that water scarcity leads to socio-economic impacts that affect people's livelihoods, physical health, and well-being. Our water recycling, treatment and sharing network alleviates pressure on freshwater and groundwater, health and safety impacts attributable to contamination and induced seismicity, reduces truck traffic and wear on the road and their associated emissions and safety matters, creates jobs both in the water sector and helps to enable new emerging industries, and supports a just, inclusive, and equitable energy transition.

Economic Impact

Economic diversification is critical to safeguarding the future of New Mexico. Diversifying interests, however, is not about abandoning one industry for another, but instead reducing risk and volatility by investing in a variety of activities. New Mexico's opportunity for economic security rests in its ability to build a blue economy; a renaissance driven by water. Economic Benefits of Hydro Harbor include:

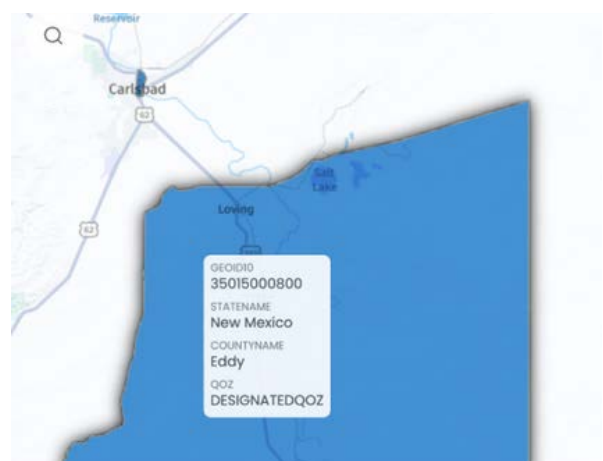
Job Creation and Economic Development Opportunities

- **Construction Phase:** The project will generate significant employment opportunities during the construction phase, including jobs for engineers, construction workers, and support staff. It is estimated that more than 2,250 combined direct and indirect jobs will be created as a result of this project with an estimated 70% being filled by New Mexicans.
- **Operational Phase:** Long-term employment for the operation and maintenance of the facilities, including technicians, administrative staff, and management positions.
- **Local Economic Stimulus:** This project increases demand for local businesses providing materials, services, and hospitality, thereby also stimulating the local economy, particularly in Hobbs, Carlsbad and various surrounding cities in Lea and Eddy County. It is important to note this area has been designated an Opportunity Zone by the New Mexico Economic Development Department.

Environmental and Health Benefits

- **Sustainability:** The project will significantly reduce the strain on freshwater resources, preserving natural ecosystems and biodiversity. This contributes to the long-term environmental health of the region.
- **Public Health:** By improving water quality and availability of freshwater resources, the project will enhance public health outcomes, ensuring safe water for communities and those purposes that involve direct human consumption.

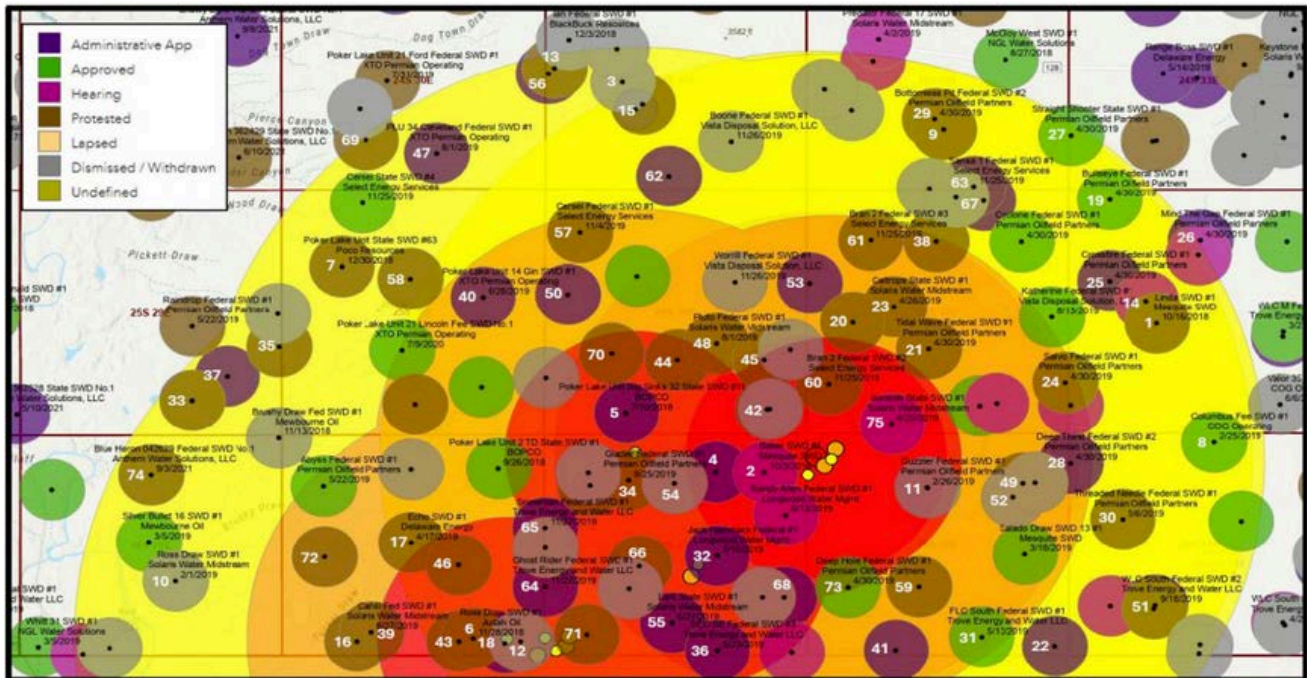
Severely Distressed Opportunity Zone¹⁸ EDDY 35015000800



18. Opportunity Zone: [Map](#)

Seismicity Mitigation

Because of its closed-loop model, Infinity's technology does not contribute to the regional earthquakes caused by the oil & gas industry's injection wells. Data from the New Mexico Bureau of Geology and Mineral Resources indicates that the total number of seismic events registering as category 1 or greater in New Mexico has risen from 39 in 2017 to 691 in 2023¹⁹. In response to this threat, the state of New Mexico's Energy, Minerals and Natural Resources Department's Oil Conservation Division cancelled 75 planned injection sites and announced it will not be accepting any new applications within the Seismic Response Area until it has been demonstrated that approval of new disposal wells will not result in increased seismic activity²⁰.



3.4 Alignment with the United Nations Sustainable Development Goals

Infinity supports the U.N.'s Sustainable Development Goals to “end poverty, protect the planet and ensure prosperity for all.” The company wants to do its part to make the world a better place to live, and because clean energy is a catalyst for progress for so many other initiatives, addressing the UN's Sustainable Development Goal 7 (affordable and clean energy) first, advances many other interrelated SDGs – magnifying Infinity's reach and amplifying its positive environmental, community, and economic impact.

Our impact on SDG 7 is reflected in the following ways:

- Infinity is providing localized, practical contributions to global sustainability challenges. Every barrel of water reclaimed for industrial reuse is a step toward a more sustainable and energy-efficient future, ensuring that energy production remains both affordable and responsible.
- Closed-loop water recycling reduces the industry's reliance on freshwater resources, preserving vital water supplies and enabling cleaner energy production practices.
- Infinity's innovative approach to water management maximizes efficiency which reduces both the carbon footprint and operational expenses all of which align with the idea of modernizing energy systems.
- Infinity's infrastructure demonstrates our commitment to building resilient systems, ensuring reliable and sustainable water supply for energy production. By investing in long-term, scalable infrastructure, Infinity helps the industry meet a growing global energy demand without compromising environmental stewardship.

19. [New Mexico Bureau of Geology and Mineral Resources](#)
 20. [EMNRD](#)



Sustainable Development Goals

In addition to SDG 7, Infinity also has an impact on the following other Sustainable Development Goals:



No. 6 CLEAN WATER AND SANITATION

Infinity's water recycling initiatives help reduce freshwater consumption and improve water resource management, ensuring water availability for agriculture, industry, and communities.



No. 7 AFFORDABLE AND CLEAN ENERGY

Infinity helps increase access to clean, sustainable energy through its water recycling and resource management efforts, reducing the environmental impact of energy production.



No. 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

By investing in cutting-edge water treatment technology and infrastructure, Infinity promotes sustainable industrialization and drives innovation within and beyond the energy sector. Adjacent industrial opportunities include green fertilizer plants, mining, and cement creation, to name a few.



No. 11 SUSTAINABLE CITIES AND COMMUNITIES

Clean energy plays a vital role in building sustainable communities. Infinity contributes to safer, cleaner environments, creates jobs, provides for economic diversification and a sustainable tax base, and helps communities thrive while minimizing environmental footprints.



No. 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Infinity's circular economy approach to water in the energy industry ensures more efficient use of resources, reducing waste and enhancing sustainability in production processes.



No. 13 CLIMATE ACTION

Sustainable energy practices, such as water reuse in energy production, help lower greenhouse gas emissions and contribute to climate resilience by promoting environmentally responsible methods.



No. 14 LIFE BELOW WATER

By treating and reusing water, Infinity helps reduce the pollution that enters rivers and oceans, keeping marine ecosystems healthier. These sustainable practices help prevent loss of habitat while also ensuring industries limit their impact on aquatic environments, protecting biodiversity and supporting cleaner water systems.

No. 15 LIFE ON LAND

By minimizing the environmental footprint of energy production, alleviating stress on freshwater and pollution of groundwater, particularly reducing water extraction from natural sources, Infinity helps protect ecosystems and biodiversity.

4. Blue Circular Economy Financing Framework

4.1 Rationale for Issuance and Alignment

Through the issuance of Blue Circular Economy instruments we aim to finance the recycling, treatment, and conservation of water in our clients' operations while supporting the energy transition and emerging green industries. We further aim to utilize proceeds to enhance our operational sustainability and efficiency. We hope the issuance of these instruments helps catalyze a step-change in water reuse in water-stressed environments through circular, water sharing models with zero liquid disposal.

We have established this Blue Circular Economy Financing Framework (the "Framework") to further align our financings with our sustainability strategy and commitments. We intend to execute financings pursuant to the Framework including bonds, loans, commercial paper, or other credit products and capital markets issuances.

The Framework outlines the methodology and associated principles for classifying a financing under this document, as well as the associated eligibility criteria, evaluation and selection process, reporting and external review.

This Framework seeks to align with the Green Bond Principles (2021) (together with the June 2022 Appendix 1, the "GBP"), as administered by the International Capital Markets Association ("ICMA") as well as the Green Loan Principles (2023) ("GLP", together with the GBP, the "Principles"), as administered by the Loan Market Association, Loan Syndications and Trading Association, and Asia Pacific Loan Market Association ("LSTA/LMA/APLMA"). These Principles constitute voluntary process guidelines for best practices when issuing green bonds and green loans. The Principles recommend transparency, disclosure and promote integrity in the sustainable finance market.

We further note the various forms of ancillary market guidance supporting the Principles, including without limitation:

- Guidelines for Blue Finance (2022), promulgated by the International Finance Corporation of the World Bank Group
- Guidelines for Green, Social, Sustainability and Sustainability-Linked Bonds External Reviews (2022), promulgated by ICMA
- Guidance for Green, Social, and Sustainability-Linked Loans External Reviews (2022/2024), promulgated by LMA/LSTA/APLMA
- For all financings executed under this Framework, Infinity asserts that it will adopt the following pillars as further described in sections 4.2-4.6 in this Framework and as envisaged by the Principles:
 - Use of Proceeds
 - Process for Project Evaluation and Selection
 - Management of Proceeds
 - Reporting
 - External Review

4.2 Use of Proceeds

Issuances under this framework will be allocated in an amount equal to the net proceeds of any instruments to finance and/or refinance, in whole or in part, new or existing eligible expenditures or investments ("Eligible Projects") from any of the categories listed below, barring any restrictions or language to the contrary in the financing documents²¹.




21. For example, tax exempt/municipal placement transactions will generally finance projects on a forward looking basis from date of inducement



Eligible Projects can include expenditures or investments in the following forms²²:





- Capital expenditures (“CAPEX”)
- Operating costs and expenses (“OPEX”) in the form of maintenance, procurement, purchasing, and other direct manufacturing costs
- Late-stage research and development expenditures (“R&D”), which demonstrate expected climate benefits or are designed for low-carbon applications
- Acquisitions of assets and/or entities substantially active (e.g. at least 90% of the revenue of the company derived from activities falling in any of the Eligible Green Project Categories) in any of the Eligible Green Project Categories
- Equity investments and loans (after giving pro-rata effect to eligibility under this Framework and the share of Infinity’s stake for investments, net of government support and tax credits)



22. Unless otherwise restricted in the financing documents or precluded in the specified use of proceeds designated to a specific financing

Eligible Category	Eligibility Criteria and Example Projects	Benefits and Related Company Objectives	UN SDGs
Sustainable Water & Wastewater Treatment	<p>Expenditures or investments related to the research, development, construction, maintenance, or acquisition of water projects, which promote 100% closed-loop water treatment, recycling and sharing with zero liquid discharge including:</p> <ul style="list-style-type: none"> • Water treatment and recycling facilities and associated infrastructure • Desalination facilities • Terminals, pipelines, and transportation infrastructure utilized for waste and recycled water conveyance • Water conservation and storage assets • Technologies removing PFAS and similar substances 	<ul style="list-style-type: none"> • Expand Infinity's water recycling infrastructure by 2028, increasing capacity by 250K bpd to support growing regional water demands while minimizing our environmental impact • Develop desalination capabilities at Infinity's facilities by 2028, targeting the production of 10k bpd of non-potable freshwater per day for manufacturing, industrial or agricultural use 	  

Renewable Energy and Climate	<p>Expenditures or investments related to (i) the research, development, construction, maintenance, or acquisition of generation assets (on-site or off-site), or (ii) purchase of renewable energy pursuant to long-term (> 5 years) power purchase agreements ("PPAs") or virtual power purchase agreements ("VPPAs") from the following sources:</p> <ul style="list-style-type: none"> • Solar • Wind • Geothermal • On-site hydro pressure powered generation <p>Expenditures or investments related to the research, development, construction, maintenance, or acquisition of pollution prevention and control-related infrastructure including:</p> <ul style="list-style-type: none"> • Methane and hydrocarbon gas scrubbers • Waste energy and heat recovery • Energy efficiency upgrades (at least 20% savings) 	<ul style="list-style-type: none"> • Reduce greenhouse gas emissions by at least 25% by 2035 • Transition 20% of energy used in our water recycling facilities to renewable energy sources (e.g., solar, wind, or geothermal) by 2030 • Install 10 MW of renewable energy generation capacity across operational sites by 2030, offsetting diesel and grid energy consumption 	 
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Advanced Water Technologies & Conservation	<p>Expenditures or investments related to the research, development, construction, maintenance, or acquisition of water conservation and biodiversity enhancing infrastructure, products, services, and technologies including:</p> <ul style="list-style-type: none"> • Establishment of a Water Technology Innovation Hub • Regional water conservation platforms to reclaim and reuse water • Biodiversity enhancements for areas surrounding water recycling facilities • Wetland restoration projects • Targeted afforestation efforts • Job training programs to equip local residents with skills in water management and infrastructure maintenance 	<ul style="list-style-type: none"> • Enhance up to 1,000 acres of natural habitat surrounding water recycling facilities by 2035 • Implement soil erosion measures at water recycling sites by 2035 • Partner with local farmers and ranchers to provide treated wastewater for irrigation of non-consumptive crops, reducing freshwater demand by 10% for agricultural activities in the region by 2030 • Incubate 5 breakthrough technologies or R&D initiatives by 2035 that advance the closed-loop water cycle, reduce costs, and improve efficiency in the industry 	    
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Location Water Impact Screen

Infinity will allocate proceeds from any issuance under this Framework to expenditures related to assets and infrastructure operating in areas denoted as one or more of the following:

- World Resources Institute aqueduct baseline water stress risk level of “Medium to High”, “High”, or “Extremely High”
- National Oceanic and Atmospheric Administration drought vulnerability index of “medium”, “high”, or “very high”
- WULCA Available Water Remaining (AWARE) per area in a watershed greater than 7
- U.S. Drought Monitor drought intensity value during the growing season of D1 or higher for 8 or more consecutive weeks within the last two years
- Similar indicators of water stress, water scarcity, drought, and/or water depletion compiled by government/regulatory bodies (e.g. USDA) or nationally recognized institutions with subject matter expertise, to the extent timely data is available



Exclusionary Criteria

Infinity will not knowingly allocate proceeds from any issuance under this Framework to expenditures related to:

- Assets and infrastructure supporting conventional waste discharge means such as saltwater disposal / deep well injection
- Assets and infrastructure that contribute to groundwater contamination and local ecosystem degradation
- Assets and infrastructure that diminish or threaten local biodiversity
- Assets and infrastructure that extract fresh surface or groundwater

4.3 Process for Project Evaluation and Selection

We have established a sustainable finance committee (the “Committee”) consisting of representatives from our Corporate Finance, Investor Relations, Operations, Research & Development and Legal teams. The Committee will be responsible for identifying, evaluating and selecting Eligible Projects based on our sustainability properties and the Eligibility Criteria outlined in the Framework. The Committee will meet annually, at a minimum, and select Eligible Projects, as necessary, based on the following factors:

- Alignment with Eligibility Criteria set forth in the Framework and consideration for any exclusionary criteria, where necessary;
- Consistent with our broader sustainability strategy, targets and objectives;
- Feasibility of tracking project expenditures and actual or expected impact; and
- Allocation of funds within the applicable allocation period as defined in the Framework.

The Committee will adhere to our policies and procedures on environmental and social risks when selecting Eligible Projects. The Committee will assess the environmental and social risks associated with Eligible Projects and determine appropriate mitigating measures, as needed. The Committee will use reasonable efforts to substitute any Eligible Projects that no longer meet Eligibility Criteria, as soon as practicable, upon identifying an appropriate substitute Eligible Project that aligns with the Eligibility Criteria outlined in the Framework. The Committee will oversee validation and monitoring of eligible assets or projects.

4.4 Management of Proceeds

We intend to allocate an amount equal to the net proceeds from the issuance of instruments under this Framework to Eligible Projects, selected in accordance with the Use of Proceeds and the Process for Project Evaluation and Selection sections above. For any instruments outstanding, our internal records will be periodically updated to reflect the amount of net proceeds from issuance allocated to Eligible Projects to date, as well as the amount of net proceeds pending allocation.

For corporate debt capital markets issuance, the allocation period of an amount equal to the net proceeds from the issuance of instruments under this Framework to Eligible Projects will occur within 24 months after the issuance of each instrument. Eligible Projects may include expenditures or investments that were financed up to 24 months prior to the issuance of each Circular Blue Economy Financing Instrument.

For municipal placements / tax exempt finance as well as syndicated and bilateral loans, proceeds will be allocated as governed under the offering documents and financing agreements²³.

Unless otherwise governed in the financing arrangement²⁴, the net proceeds from issuances under this Framework will be deposited in a general bank account and an amount equal to the net proceeds will be earmarked for allocation to the Eligible Projects, in accordance with the Framework. We will establish a Register to record on an ongoing basis the allocation of net proceeds from our Framework to Eligible Projects. The Register will be monitored by our Committee and will be updated on a quarterly basis.

23. For example, generally tax exempt / municipal placements will be allocated toward Eligible Projects which are allowable under the financing documents for identified expenses from date of inducement [For avoidance of doubt, municipal placements / tax exempt finance proceeds will be allocated toward Eligible Projects allowable under the financing arrangement for identified expenses from date of inducement].

24. For example, in certain asset focused transactions proceeds may be placed in a segregated account and managed by a Trustee

We will track the asset/investment's location, the amount financed, and the applicable eligible category. The Register will form the basis for reporting. Unless otherwise governed in the financing arrangement, pending full allocation, proceeds may be invested in cash or cash equivalents, used to repay existing indebtedness, or held in accordance with our liquidity management policies.

In the case of intervening circumstances, such as sales, divestments, or repayments, for so long as the applicable instruments are outstanding, we will use reasonable efforts to replace Eligible Projects to ensure that an amount equal to the net proceeds from outstanding instruments will be allocated to Eligible Projects, barring any financing conditions to the contrary.

4.5 Reporting²⁵

4.5.1 Allocation Reporting

For each instrument issued under this Framework, we intend to indicate our expected allocation timeline and estimated share of financing and refinancing of existing or new Eligible Projects in the respective transaction documentation. We intend to make and keep readily available public reporting on the allocation of net proceeds to Eligible Projects, which we expect to provide to investors annually (except in the year of issuance, if such issuance occurs on or after September 1st, until full allocation for term instruments and until maturity for revolving loans. Thereafter, material developments will be notified, so long as the instrument has not matured, via an update note or similar report. Such a report ("Circular Blue Economy Financing Report") is expected to include information on:

- Amount of net proceeds of all outstanding instruments
- Amount of net proceeds allocated to Eligible Projects, at least at the category level, as defined in the Use of Proceeds section of this Framework
- The share of financing and refinancing of new or existing Eligible Projects
- Amount of net proceeds of all instruments unallocated to Eligible Projects

Such reporting will be publicly available on our website.

4.5.2 Impact Reporting

Where feasible, on an annual basis, (except in the year of issuance, if such issuance occurs on or after September 1st) until full allocation, we intend to report on and include quantitative impact metrics and their associated definition, calculation, methodology and any impact assessments conducted, subject to available detail and feasibility, to provide increased transparency to our stakeholders. Should quantitative information be unavailable, we will seek to provide qualitative information. An overview of example impact metrics is provided below. We intend to align, on a best-efforts basis, reporting with the "Handbook - Harmonized Framework for Impact Reporting Green Bonds (June 2022)". Impact reporting will be publicly available on our website.

25. Transaction specific reporting and external review conditions may be agreed with transaction parties in bilateral and syndicated loan agreements and tax exempt / municipal placements which may diverge or rely on other second or third parties than those described herein.

Eligible Green Project Category	Example Impact Metrics
<p>Sustainable Water and Wastewater Treatment</p>	<ul style="list-style-type: none"> • Barrels of wastewater gathered (Barrels) • Gallons of freshwater withdrawal avoided (Gallons) • Percentage of gathered water recycled (%) • Annual GHG emissions avoided/reduced (tCO₂e) • Other relevant indicators depending on the considered projects • Water Conservation: Reduction in water usage due to more efficient energy systems, measured in gallons or barrels.
<p>Renewable Energy and Climate</p>	<ul style="list-style-type: none"> • Annual GHG emissions avoided/reduced (tCO₂e) • On-site renewable energy capacity developed (MW) • Annual renewable energy generated, procured, or consumed (MWh) • Percentage of electricity generated or procured from renewable sources • Energy Savings: Measured in kilowatt-hours (kWh) or saved annually
<p>Advanced Water Technologies & Conservation</p>	<ul style="list-style-type: none"> • Number of breakthrough technologies or R&D initiatives implemented • Acres of natural habitat preserved • Number of soil erosion measures implemented • Water Conservation: Reduction in water usage due to more efficient energy systems, measured in gallons or barrels.

4.6 External Review²⁶

4.6.1 Second Party Opinion

In connection with this Framework, we appointed Moody's, an internationally recognized external review provider, to evaluate the Eligible Projects and Eligibility Criteria in this Framework and to provide a Second Party Opinion ("SPO") on the alignment of the Framework with the relevant Principles. The SPO will be publicly available on our website.

26. Transaction specific reporting and external review conditions may be agreed with transaction parties in bilateral and syndicated loan agreements and tax exempt / municipal placements which may diverge or rely on other second or third parties than those described herein.

4.6.2 Post-Issuance Review

Subsequent to full allocation of any instrument under this Framework, we expect that our Circular Blue Economy Financing Report will be accompanied by (i) an assertion by our management as to the amount of the net proceeds from any instruments that have been allocated to Eligible Projects; and (ii) an assurance report from an independent accountant or an independent third-party who will examine management's assertions. The assurance report will be made publicly available on our website.

5. Appendix

1. **National Oceanic and Atmospheric Administration**, "[How much water is in the ocean?](#)"
2. **World Wildlife Fund**, "[Water Scarcity: Overview](#)"
3. **The University of Pennsylvania Water Center**, "[From Water Stress to Water Scarcity](#)"
4. **U.S. Department of Agriculture Farm Service Agency**, "[USDA Designates 33 New Mexico Counties as Primary Natural Disaster Areas](#)"
5. **The State of New Mexico**, "[Water Security in New Mexico](#)"
6. **New Mexico Office of the Governor**, "[50-YEAR WATER ACTION PLAN](#)"
7. **New Mexico Environment Department**, "[Produced Water Factsheet](#)"
8. **Reuters**, "[In arid New Mexico, rural towns eye treated oil wastewater as a solution to drought](#)"
9. **Hildenbrand et al.**, Unpublished
10. **Liden et al.**, 2018, *Science of the Total Environment*, 643
11. **U.S. Patent No. 1.520,156; U.S. Patent No. 11.827,546**, Derivative Patent Pending
12. **The World Bank Group**, "[Strains on freshwater resources: The impact of food production on water consumption](#)"
13. **United States Geological Survey**, "[Industrial Water Use](#)"
14. **The Washington Post**, "[Here's where water is running out in the world – and why](#)"
15. **New Mexico Produced Water Research Consortium**, "[Fit-for-Purpose Use of Produced Water](#)"
16. **New Mexico Office of the Governor**, "[Gov. Lujan Grisham to establish first-of-its-kind Strategic Water Supply - \\$500 million investment will leverage advanced market commitments](#)"
17. **Las Cruces Sun-News**, "[Oilfield wastewater used to grow hemp? New Mexico working toward alternatives to disposal](#)"
18. **Opportunity Zone Map**, [Interactive Map](#)
19. **New Mexico Bureau of Geology and Mineral Resources**, [Reporting](#)
20. **New Mexico Energy, Minerals and Natural Resources Department (EMNRD)**, [Reporting](#)
21. **Financing-related documents**, "For example, tax exempt/municipal placement transactions will generally finance projects on a forward-looking basis from date of inducement"
22. **Financing-related documents**, "Unless otherwise restricted in the financing documents or precluded in the specified use of proceeds designated to a specific financing"
23. **Financing-related documents**, "For example, generally tax exempt/municipal placements will be allocated toward Eligible Projects allowable under the financing documents for identified expenses from date of inducement [For avoidance of doubt, municipal placements/tax exempt finance proceeds will be allocated toward Eligible Projects allowable under the financing arrangement for identified expenses from date of inducement]."
24. **Financing-related documents**, "For example, in certain asset-focused transactions, proceeds may be placed in a segregated account and managed by a Trustee."
25. **Financing-related documents**, "Transaction-specific reporting and external review conditions may be agreed with transaction parties in bilateral and syndicated loan agreements and tax-exempt/municipal placements, which may diverge or rely on other second or third parties than those described herein."
26. **Financing-related documents**, "Transaction specific reporting and external review conditions may be agreed with transaction parties in bilateral and syndicated loan agreements and tax exempt / municipal placements which may diverge or rely on other second or third parties than those described herein."

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