



## **Enviva Partners, LP**

John Keppler – Chairman and CEO

2017 J.P. Morgan Energy Equity Conference

June 27, 2017

# Forward-Looking Statements and Cautionary Statements

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## Forward-Looking Statements

This presentation contains “forward-looking statements” within the meaning of the securities laws. All statements, other than statements of historical fact, included in this presentation that address activities, events or developments that Enviva Partners, LP (NYSE: EVA) (“Enviva,” “we,” or “us”) expects, believes or anticipates will or may occur in the future are forward-looking statements. The words “believe,” “expect,” “may,” “estimates,” “will,” “anticipate,” “plan,” “intend,” “foresee,” “should,” “would,” “could,” or other similar expressions are intended to identify forward-looking statements, which are generally not historical in nature. However, the absence of these words does not mean that the statements are not forward-looking.

These statements are based on certain assumptions made by Enviva based on management’s expectations and perception of historical trends, current conditions, anticipated future developments and other factors believed to be appropriate. Although Enviva believes that these assumptions were reasonable when made, because assumptions are inherently subject to significant uncertainties and contingencies that are difficult or impossible to predict and are beyond its control, Enviva cannot give assurance that it will achieve or accomplish these expectations, beliefs or intentions. A number of the assumptions on which these forward-looking statements are based are subject to risks and uncertainties, many of which are beyond the control of Enviva, and may cause actual results to differ materially from those implied or expressed by the forward-looking statements. These risks and uncertainties include the factors discussed or referenced in our filings with the Securities and Exchange Commission (the “SEC”), including the Annual Report on Form 10-K and the Quarterly Reports on Form 10-Q most recently filed with the SEC, including those risks relating to financial performance and results, economic conditions and resulting capital restraints, availability of sufficient capital to execute Enviva’s business plan, the ability of Enviva to complete acquisitions and realize the anticipated benefits of such acquisitions, impact of compliance with legislation and regulations and other important factors that could cause actual results to differ materially from those projected. When considering the forward-looking statements, you should keep in mind the risk factors and other cautionary statements in such filings.

You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which such statement is made, and Enviva undertakes no obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law. All forward-looking statements attributable to Enviva are qualified in their entirety by this cautionary statement.

## Industry and Market Data

This presentation has been prepared by Enviva and includes market data and other statistical information from third-party sources, including independent industry publications, government publications or other published independent sources. Although Enviva believes these third-party sources are reliable as of their respective dates, Enviva has not independently verified the accuracy or completeness of this information. Some data is also based on Enviva’s good faith estimates, which are derived from its review of internal sources as well as the third-party sources described above.



# Company Highlights: High-Growth, “Drop-Down” MLP

**World’s largest supplier of utility-grade wood pellets to major power generators with almost 3 million metric tons per year (“MTPY”) of contracted production capacity**

## Compelling Industry Fundamentals

- Critical supply chain partner for major power generators worldwide
- More than 40% of renewable energy production in the EU is from solid biomass<sup>1</sup>
- Japan targeting 6.0 to 7.5 gigawatts of biomass-fired generation capacity by 2030
- Supportive multinational regulatory frameworks result in forecasted demand growing at 17% CAGR through 2021<sup>2</sup>
- Supply not adequate for demand with few providers of scale

## Advantaged Assets

- Fully-contracted, strategically located production plants exporting through multiple deep-water marine terminals
- Strong fiber baskets deliver low-cost, growing natural resource and stable pricing
- Embedded low cost to-port logistics and favorable long-term fixed-rate shipping contracts

## Long-Term Off-take Contracts

- Sales strategy is to fully contract our production capacity under long-term agreements
- Take-or-pay contracts with creditworthy utilities and large-scale power generators with weighted average remaining term of 9.8 years and a contracted revenue backlog of \$5.6 billion<sup>3</sup>
- Increasing customer diversification with continued focus on new markets and geographies

## Substantial Growth Opportunities

- Expect aggregate distributions for 2017 of at least \$2.36 per unit<sup>4</sup>
- Organic growth inherent in contract profile and via productivity and capacity increases driving margin expansion
- Consistent track record of drop-down acquisitions from Sponsor; recently agreed to acquire its Port of Wilmington wood pellet export terminal
- Sponsor actively developing additional plants and terminals to serve growing demand in Europe and Asia

## Experienced Management Team

- Management team led by industry founders and seasoned public company executives
- Demonstrated expertise acquiring, building, operating, and contracting / re-contracting platform assets
- Management rewarded for sustained growth in per-unit distributable cash flow

(1) Eurostat – Energy Statistics – quantities (t\_nrg\_quant); 2014 solid biofuels (excluding charcoal); 2014 renewable energies

(2) Hawkins Wright: The Outlook for Wood Pellets – Demand, Supply, Costs and Prices; First Quarter 2017, demand forecast for Industrial pellets

(3) As of April 1, 2017

(4) On May 10, 2017, provided guidance of aggregate distributions for 2017 of at least \$2.36 per unit



# Enviva Solves a Growing, Unmet Challenge for Generators

Major industrial economies in the UK and EU are far short of binding, national-level 2020 renewable targets

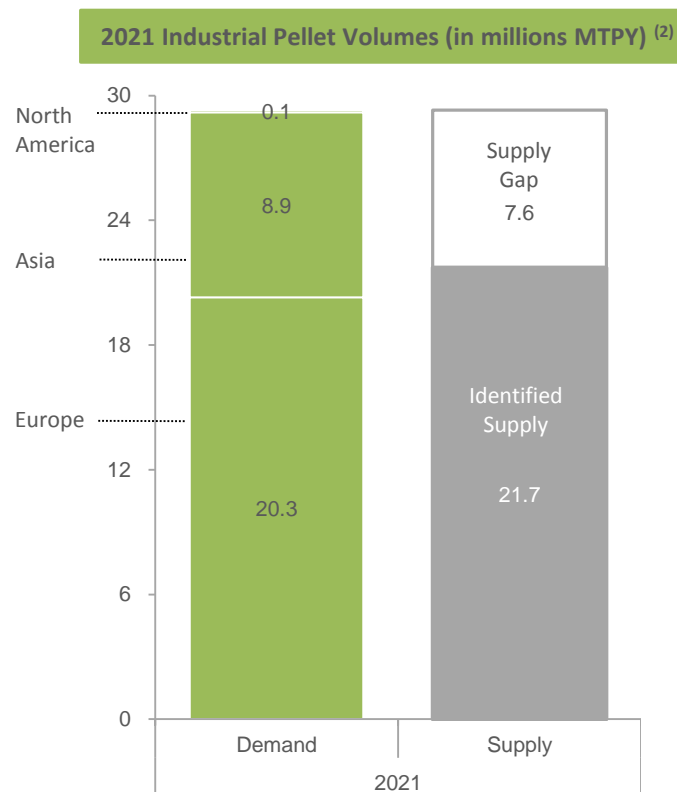
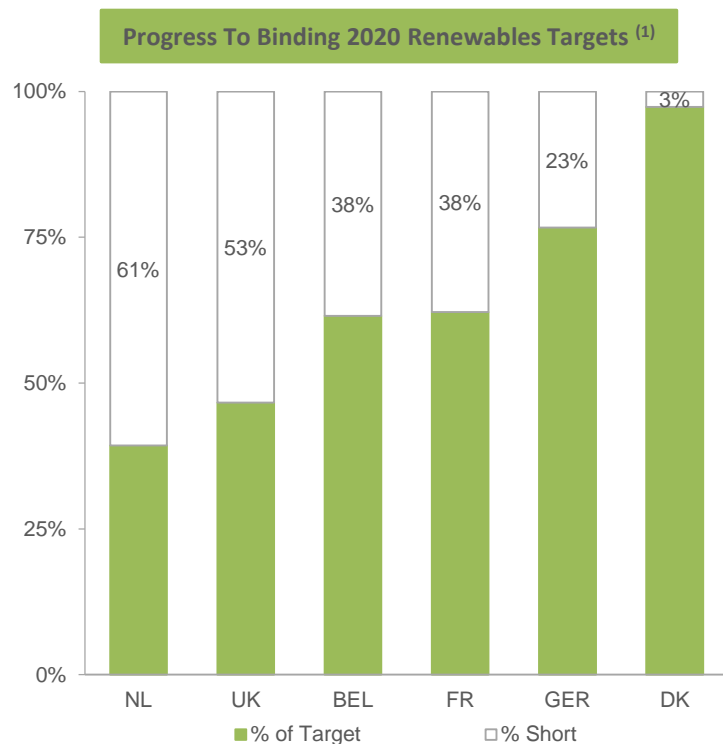
- 2030 targets even more stringent

In addition to renewables targets, Japan is addressing capacity shortage issues following the Fukushima nuclear disaster

Wood pellets provide low-cost, drop-in solution, driving large demand

Market growing rapidly: demand forecasted at 17% CAGR to 2021<sup>(2)</sup>

**Enviva is Only Enterprise Supplier of Scale**



<sup>(1)</sup> Eurostat News Release – February 10, 2016; Publication: Share of renewables in energy consumption in the EU rose further to 16% in 2014.

<sup>(2)</sup> Hawkins Wright: The Outlook for Wood Pellets – Demand, Supply, Costs and Prices; First Quarter 2017



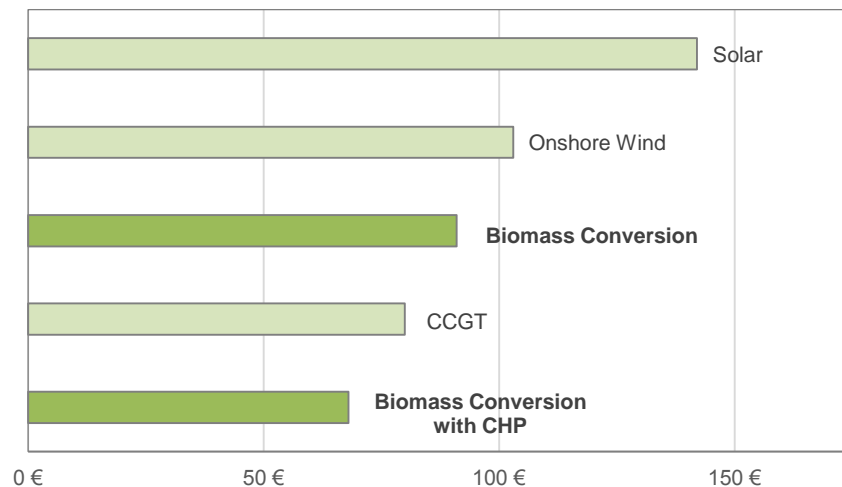
# Our Product is the Low-Cost, Drop-In Solution for Coal

## Wood Pellet vs. Coal Attributes

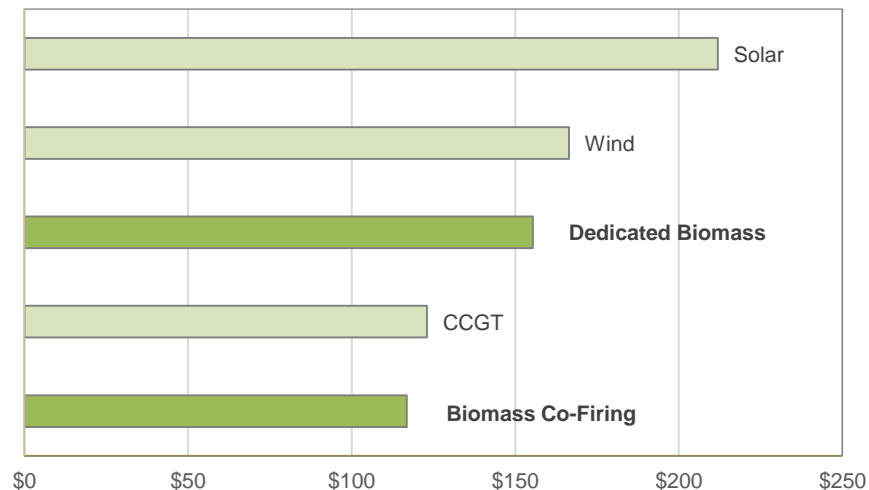
	Wood Pellets <sup>(1)</sup>	NYMEX CAPP Coal <sup>(2)</sup>	Southern PRB Coal <sup>(3)</sup>
Median Heat Content (BTU/lb)	8,000	12,000	8,600
Moisture	4 – 10%	< 10%	26 – 30%
Ash	0 – 2%	< 13.5%	4.6 – 5.7%
Sulfur	0 – 0.15%	< 1.0%	< 1.0%



## Total System Cost of Electricity in Germany (€/MWh)<sup>(4)</sup>



## Levelized Cost of Electricity in Japan in 2020 (USD per MWh)<sup>(5)</sup>



**Biomass is the lowest cost solution and essential complement to intermittent sources of renewables**

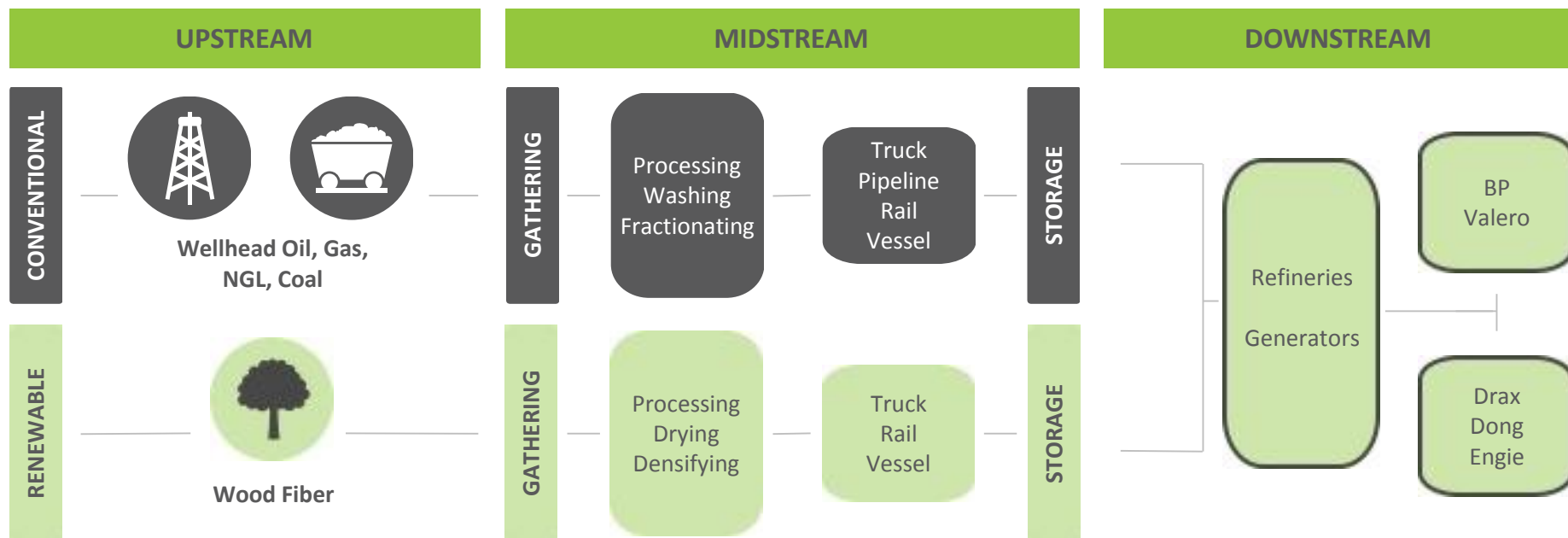
(1) Enviva; (2) CME Group; (3) Union Pacific

(4) Aurora Energy Research – Biomass conversions & the system cost of renewables (November 2016). Total System Cost of Electricity (TSCE) is the per-megawatt-hour cost of building and operating a generating plant over an assumed financial life including intermittency, security of supply, balancing, grid expansion, and heat adjustment (applicable for CHP only). Data is for Germany and may not be representative of all the markets in which we or our customers operate. CHP is Combined Heat & Power. Expansion costs are related to the electricity grid only. New build CCGT could require gas grid expansions, and the cost is not included here

(5) IHS Markit: Levelized Cost of Power Generation in Japan, May 8, 2017. Costs are presented in real terms, as of 2020. In contrast to TSCE, Levelized Cost of Electricity (LCOE) does not include the intermittency costs associated with wind and solar power. LCOE for Dedicated Biomass assumes biomass wood burning power plants with 112 MW of capacity and 40% efficiency



# Familiar Midstream Activities

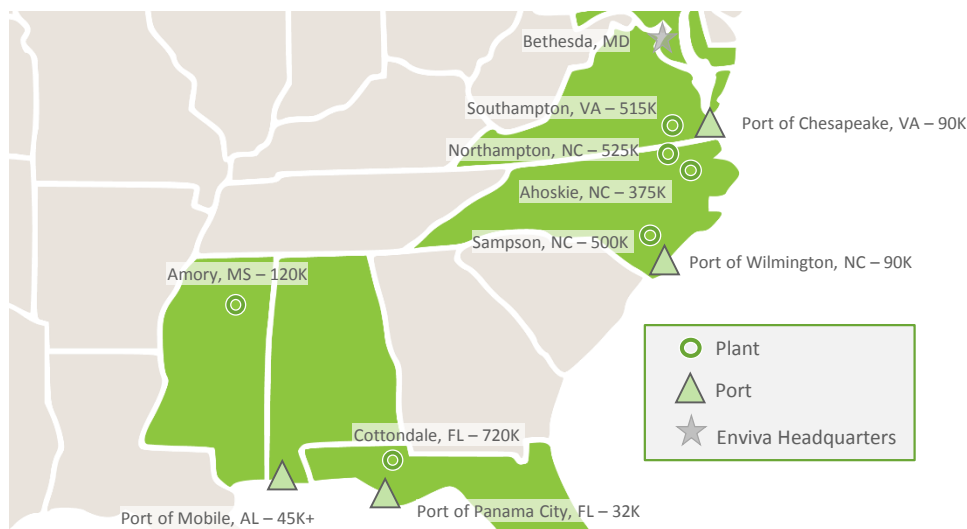


- Enviva performs activities similar to other midstream MLPs
- No direct exposure to crude oil or natural gas prices or volumes
- Qualifying income generated by aggregating a natural resource (timber), processing it into fuel at production facilities, transporting pellets to deep-water marine storage terminals, and delivering ratably to utility customers (Private Letter Ruling received in 2011)
  - No impact from final regulations issued in January 2017





# Assets at a Glance



## Storage and Terminaling Assets

### Port of Mobile

*Location:* Mobile, AL, Cooper Marine & Timberlands ChipCo Terminal  
*Startup:* 3<sup>rd</sup> Party Agreement  
*Storage:* Flex barge storage with 45K+ MT of capacity

### Port of Chesapeake

*Location:* Chesapeake, VA, wholly-owned by Enviva  
*Startup:* November 2011  
*Storage:* Dome storage with 90K MT of capacity

### Port of Panama City

*Location:* Panama City, FL, Port Panama City  
*Startup:* 3<sup>rd</sup> Party Agreement  
*Storage:* Flat warehouse storage with 32K MT of capacity

### Port of Wilmington

*Location:* Wilmington, NC, Enviva Port of Wilmington  
*Startup:* 2016, agreed to acquire from our Sponsor  
*Storage:* Dome storage with 90K MT of capacity



## Current Production Plants

### Amory

*Location:* Amory, MS  
*Startup:* August 2010 (acquired)  
*Annual Production:* 120K MTPY



### Ahoskie

*Location:* Ahoskie, NC  
*Startup:* November 2011  
*Annual Production:* 375K MTPY



### Southampton

*Location:* Southampton, VA  
*Startup:* October 2013  
*Annual Production:* 515K MTPY



### Northampton

*Location:* Northampton, NC  
*Startup:* April 2013  
*Annual Production:* 525K MTPY



### Sampson

*Location:* Sampson, NC  
*Startup:* November 2016  
*Annual Production:* 500K MTPY, expected to increase to 600K MTPY in 2019



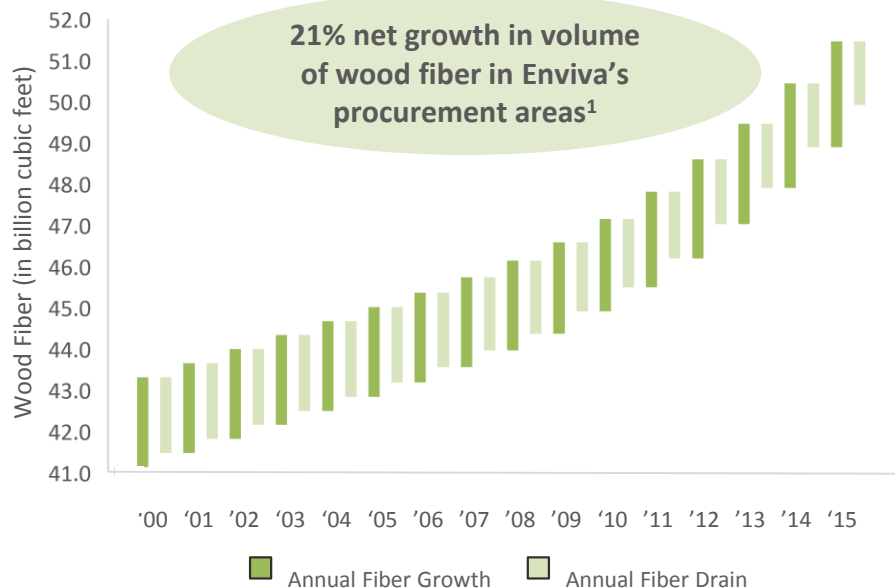
### Cottondale

*Location:* Cottondale, FL  
*Startup:* May 2008 (acquired January 2015)  
*Annual Production:* 720K MTPY



# Negative Depletion

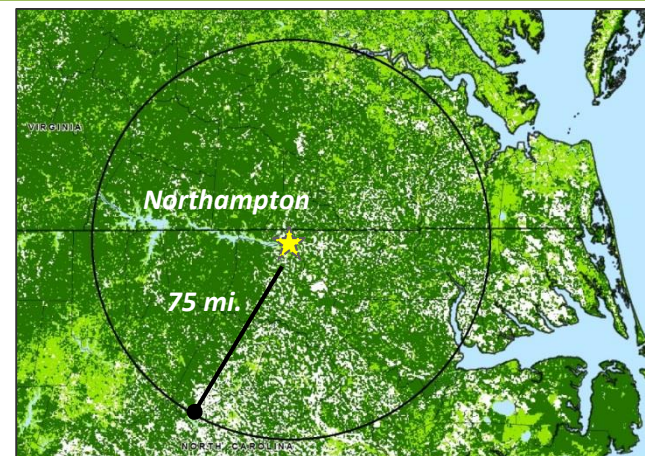
## Advantaged Robust Resource Availability



**Wood fiber analog to conventional oil and gas would be adding the proved reserves of two additional Permian Basins in the U.S.<sup>2</sup>**

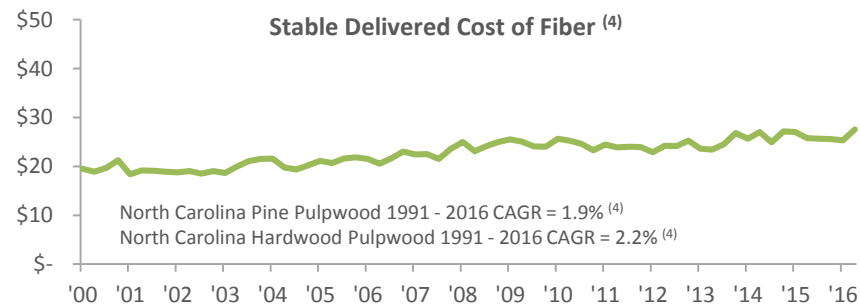
(1) FIA Data, from 2000 through 2015, total wood fiber volume in the four primary areas Enviva sources its wood fiber grew by approximately 8.8 billion cubic feet, a net increase of 21.2% from 2000.  
 (2) U.S. Crude Oil and Natural Gas Proved Reserve, Year-end 2015, U.S. Energy Information Administration. As of 12/31/2015, proved oil and natural gas reserves of the U.S. were approximately 91.1 billion barrels of oil equivalent with approximately 10.6 billion barrels of oil equivalents in the Permian Basin.

## Stable Pricing / Limited Volatility



■ Hardwood Roundwood ■ Pine Roundwood □ Open / Farmland

**1MM tons annual facility demand**  
**475MM+ tons inventory**  
**8MM+ tons net annual fiber excess<sup>(3)</sup>**  
**65,000+ private landowners**



(3) FIA Data  
 (4) Timber Mart-South-North Carolina 1991 - 2016





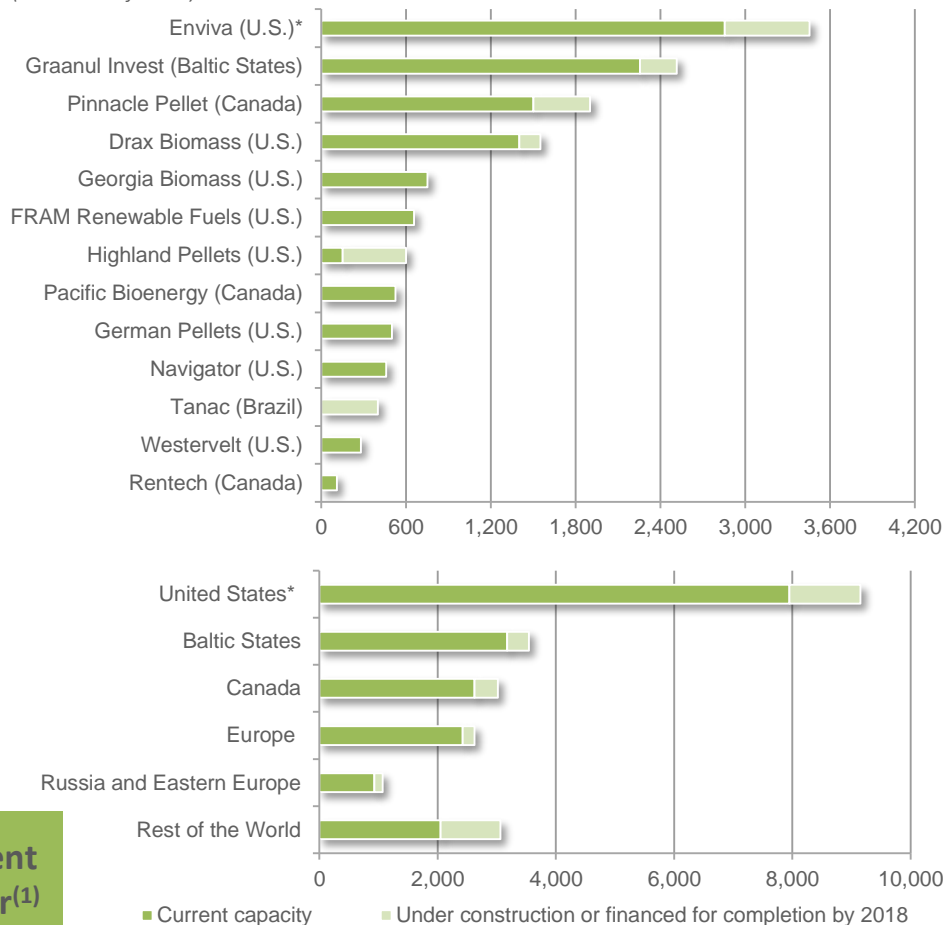
# Limited Competition

- Pellet industry historically characterized by fragmented worldwide supply base
- Utility trade almost exclusively one-to-one agreements between standalone plants
- Enviva distinguishes itself with an industrial, enterprise-scale approach
  - Carefully assembled team of foresters, manufacturing experts, logisticians, and engineers
  - Multi-plant profile allows for optimization
  - Years of operational knowledge, employs a “build and copy” approach
  - Conservative balance sheet
  - Multi-billion dollar financial investors experienced in energy and wood products sector

**Industry growth supports \$1.7 billion additional investment opportunity for experienced and well-capitalized operator<sup>(1)</sup>**

## Worldwide Industrial Pellet Producers and Regional Production

(Thousands of MTPY)



Source: Hawkins Wright: The Outlook for Wood Pellets – Demand, Supply, Costs and Prices; First Quarter 2017

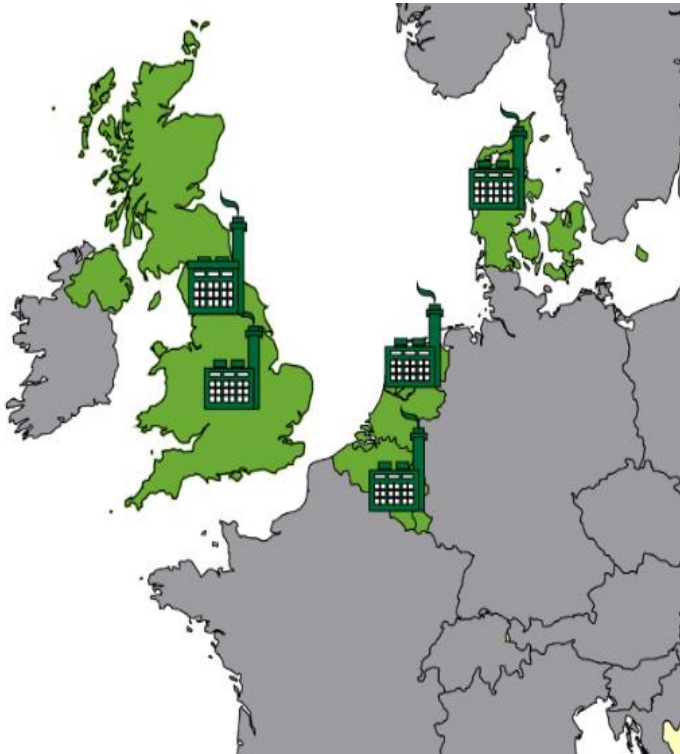
\* Includes the Hamlet plant currently being developed by our Sponsor's joint venture.

<sup>1</sup> Hawkins Wright supply and demand data. Assumption of \$220/ton of installed capacity



## Diversifying Customer Base

Northern European countries where Enviva's long-term contracted customers are based



Growing Asian demand driven by new feed-in tariffs, capacity needs, and renewable energy standards

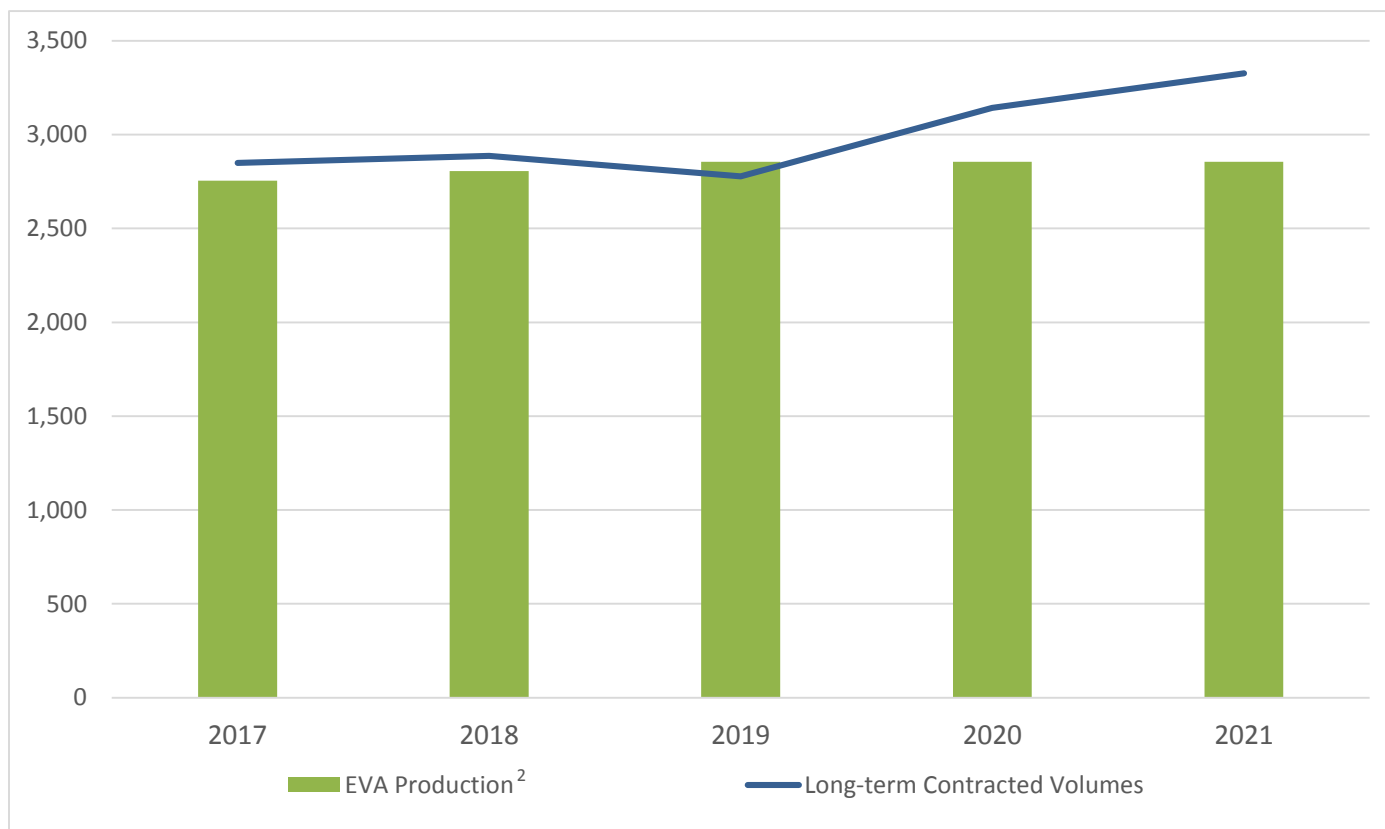


Regulatory stability, low cost, and dispatchable characteristics of biomass driving customer demand

# Contracted Production Profile

**Sales strategy is to fully contract our production capacity under long-term, take-or-pay agreements**

*Partnership's weighted-average remaining term of off-take contracts is 9.8 years and contracted revenue backlog is \$5.6 billion<sup>1</sup>*



**Organic increases in production capacity within our portfolio create additional sales opportunities**

*Contracted volumes in the graph above include only contracts of Enviva Partners, LP or its subsidiaries; does not include the Hancock JV's contracts.*

*(1) As of April 1, 2017*

*(2) Does not take into account opportunities the Partnership expects to have to increase production capacity*



# Financial Results

	2016				2017
<i>In millions, except per metric ton and per unit data</i>	Q1 <i>Recast</i>	Q2 <i>Recast</i>	Q3 <i>Recast</i>	Q4	Q1
Net Revenue <sup>1</sup>	\$107.3	\$119.7	\$110.8	\$126.5	\$122.1
Cost of Goods Sold <sup>1</sup>	\$91.5	\$100.1	\$86.9	\$106.4	\$103.6
Gross Margin <sup>1</sup>	\$15.8	\$19.6	\$23.9	\$20.1	\$18.5
AGM per Metric Ton <sup>1</sup>	\$40.42	\$43.11	\$56.88	\$43.25	\$43.19
Net Income <sup>1</sup>	\$5.5	\$9.9	\$10.3	(\$8.1)	\$2.5
Adjusted EBITDA <sup>2</sup>	\$18.5	\$23.4	\$25.5	\$22.2	\$22.9
Distributable Cash Flow <sup>2</sup>	\$14.8	\$19.5	\$20.9	\$12.6	\$14.6
Distribution per Unit <sup>3</sup>	\$0.51	\$0.525	\$0.53	\$0.535	\$0.555

**Distribution increased every quarter since initial public offering**

(1) As Reported: our recast results prepared in accordance with GAAP, including Sampson's results for periods we did not own Sampson and elimination of certain intercompany transactions

(2) Excluding recast results from the Sampson Drop-Down prior to the acquisition date on December 14, 2016

(3) Common and subordinated unit

See slides 37 and 38 for Adjusted EBITDA, Distributable Cash Flow and Adjusted Gross Margin per Metric Ton reconciliations.

See Note 1 of our financial statements, Business and Basis of Presentation, to our 2016 Annual Report on Form 10-K (the "10-K") and slide 34 for basis of presentation.



## Outlook & Guidance

In millions, except per unit figures	2017
Net Income	\$29.0 - \$33.0
Adjusted EBITDA	\$111.0 - \$115.0
Maintenance Capex	\$5.1
Interest Expense <sup>1</sup>	\$29.7
Distributable Cash Flow <sup>2</sup>	\$76.2 - \$80.2
Distribution per Unit <sup>3</sup> of at least	\$2.36

**2017 guidance above includes the impact of the Port of Wilmington drop-down, but does not include the impact of any other potential acquisitions or drop-downs**

(1) Net of amortization of debt issuance costs and original issue discounts

(2) Prior to any distributions paid to our general partner

(3) Common and subordinated unit

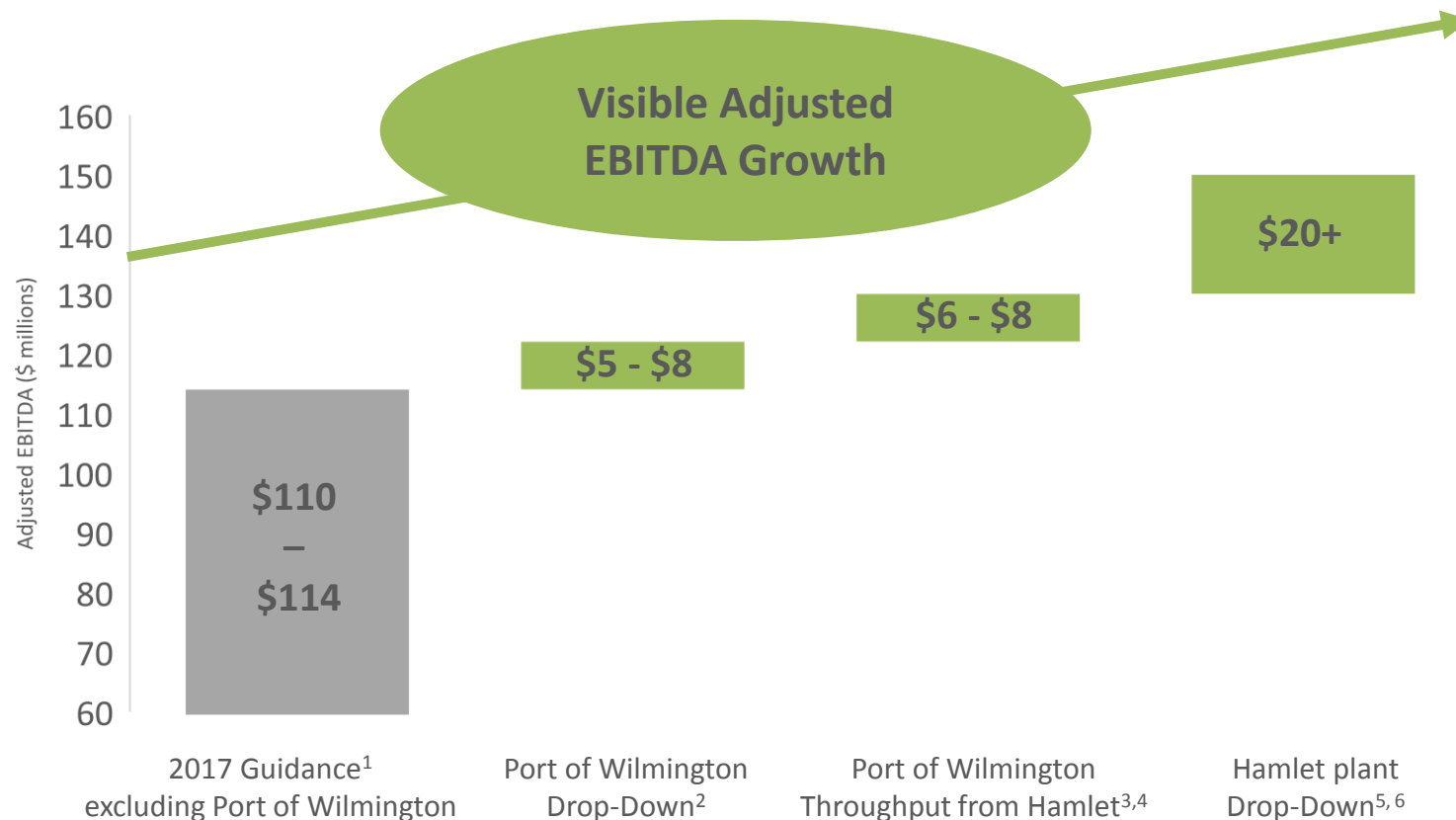
Guidance was provided on May 10, 2017

See slide 39 for Adjusted EBITDA and Distributable Cash Flow reconciliations





# Visible Growth



**+ 1% to 2% annual productivity increases materially improve AGM**

- (1) Based on guidance provided on and as of November 3, 2016, and affirmed on February 23, 2017. For a reconciliation of estimated adjusted EBITDA to estimated net income, please see slide 39
- (2) For a reconciliation of estimated adjusted EBITDA to estimated net (loss) income, please see slide 40
- (3) The Port of Wilmington is expected to generate run-rate incremental adjusted EBITDA of approximately \$8.0 million initially, increasing to \$16.0 million per year once the Hamlet plant reaches its expected full production rate of 600,000 MTPY. Additional details are available as part of our Earnings Release as of May 10, 2017
- (4) For an explanation of why we are unable to reconcile the estimated adjusted EBITDA of \$16.0 million per year for Port of Wilmington once the Hamlet plant reaches its expected full production rate to the most directly comparable GAAP financial measures, please see slide 41
- (5) Although we expect to have the opportunity to acquire assets or completed development projects, including the Hamlet plant, from our sponsor or the Hancock JV in the future, we cannot assure you that our sponsor or the Hancock JV will be successful in completing their development projects or that we will successfully negotiate an agreement with our sponsor or the Hancock JV to acquire such assets or projects
- (6) The estimated incremental adjusted EBITDA from the Hamlet plant Drop-Down is based on similar plants in our portfolio. For an explanation of why we are unable to reconcile this measure to the most directly comparable GAAP financial measures, please see slide 41



# Drop-Down Inventory

## Enviva Port of Wilmington (NC)

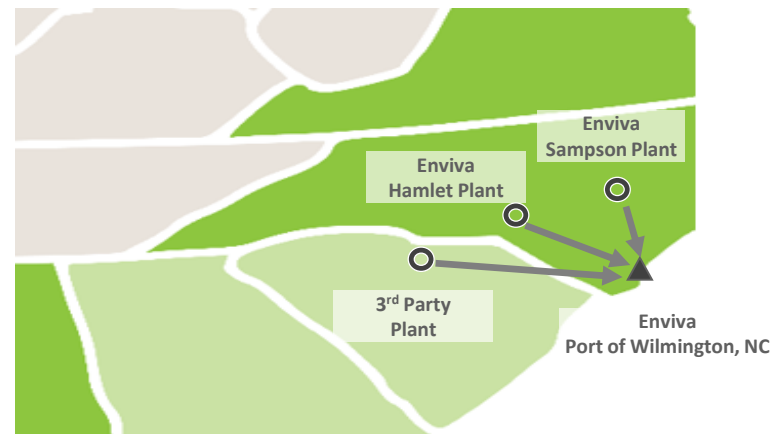
- “Build and Copy” replica of Enviva Port of Chesapeake
- Fully operational with ~1.0 million MTPY throughput contracted with Sampson and 3rd party volumes
  - Contracted to receive, store and load Hamlet plant throughput
  - Total capacity of approximately 3 million MTPY
- Agreed to acquire the terminal on or about October 2, 2017 with initial payment of \$56 million
  - Second payment of \$74 million upon deliveries from the Hamlet plant, expected in late 2018
- Approximately \$8 million<sup>1</sup> incremental estimated run-rate adjusted EBITDA, increasing to approximately \$16 million<sup>2</sup> annually assuming Hamlet plant is fully operational



Enviva Port of Wilmington (NC) terminal

## Enviva Pellets Hamlet (NC)

- Currently commencing construction of the permitted plant site in Hamlet, North Carolina
  - “Build and Copy” replica of our Sampson plant
  - Fully ramped production capacity of 600,000 MTPY
- Located in a robust fiber basket, with an expected excess of wood fiber growth over uses of nearly 6 million tons annually<sup>3</sup> after accounting for the plant’s demand
- Production expected to support our Sponsor’s off-take contract to supply the Macquarie MGT Teesside project in the UK



(1) For a reconciliation of estimated adjusted EBITDA to estimated net (loss) income, please see slide 40

(2) For an explanation of why we are unable to reconcile this measure to the most directly comparable GAAP financial measures, please see slide 41

(3) Biomass Resource Study for Wood Pellet Plants in Hamlet, NC and Sampson County, NC; prepared by Forest2Market, Inc.

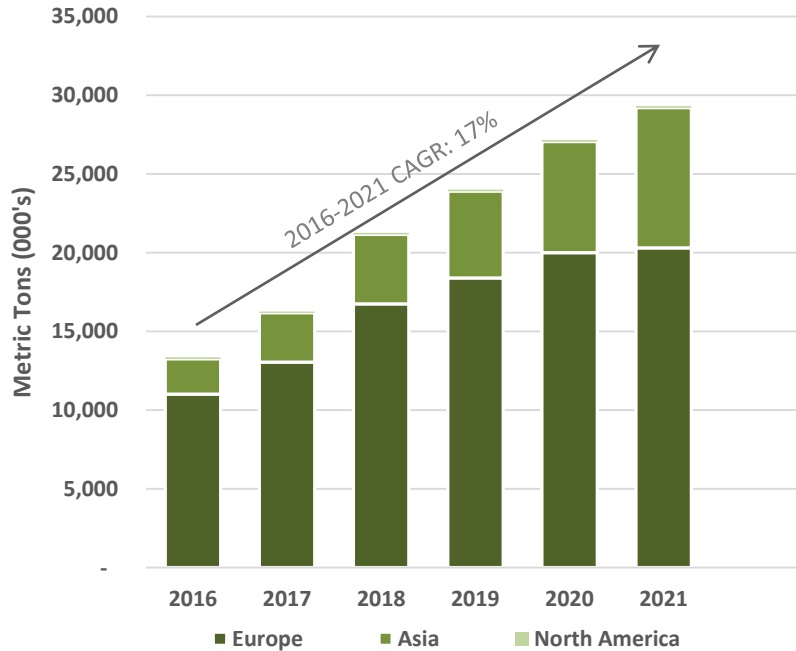


# Adjacent Markets Experiencing Rapid Demand Growth

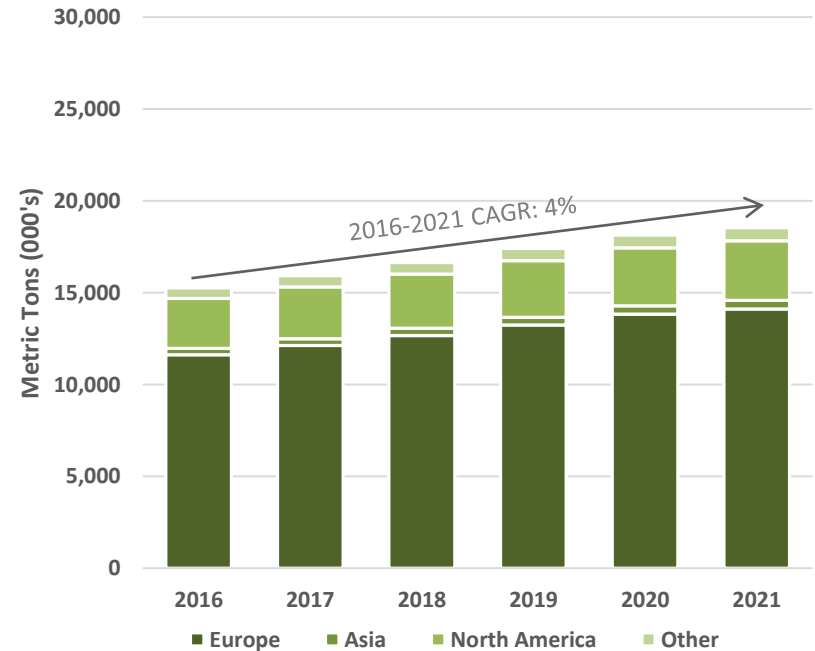
Enviva primarily serves industrial market...

... but increasingly shipping to another large, rapidly growing market

Industrial Pellet Forecasted Demand<sup>(1)</sup>



Heating Pellet Forecasted Demand<sup>(1)</sup>



Wood pellets are largely fungible across industrial and heating markets

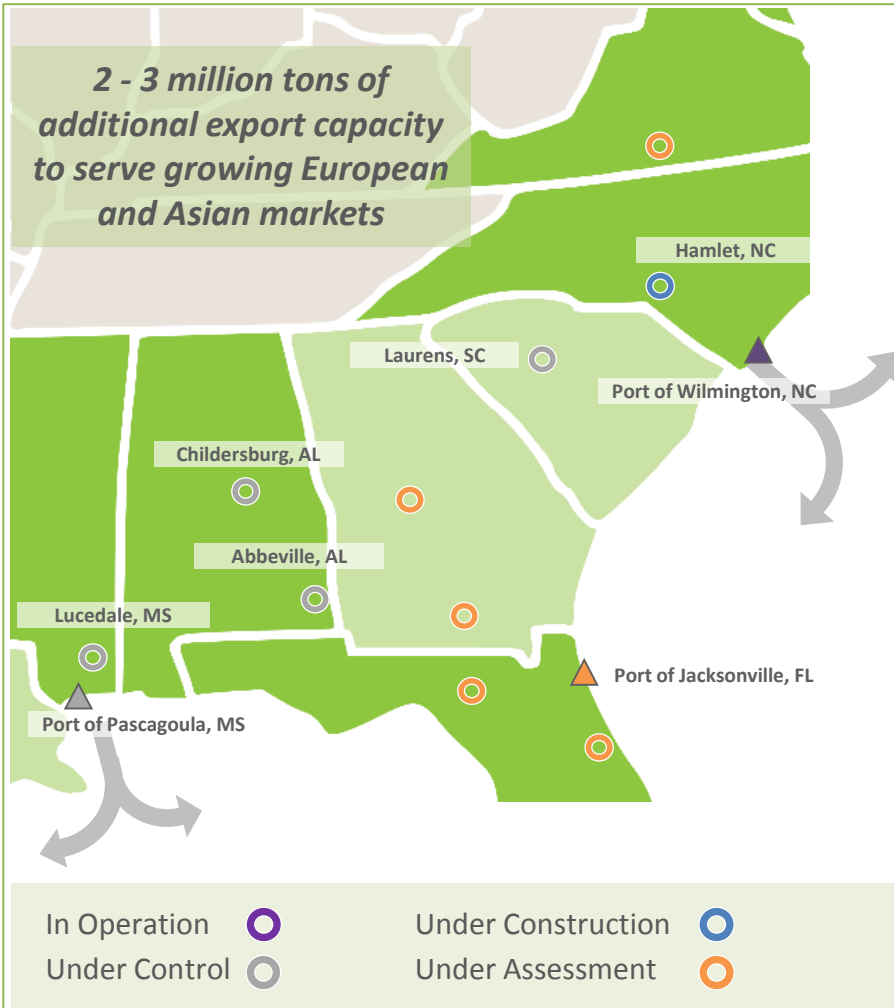
(1) Hawkins Wright: The Outlook for Wood Pellets – Demand, Supply, Costs and Prices; First Quarter 2017.  
North America industrial pellet demand forecasted to be 100k tons in each of 2016-2021



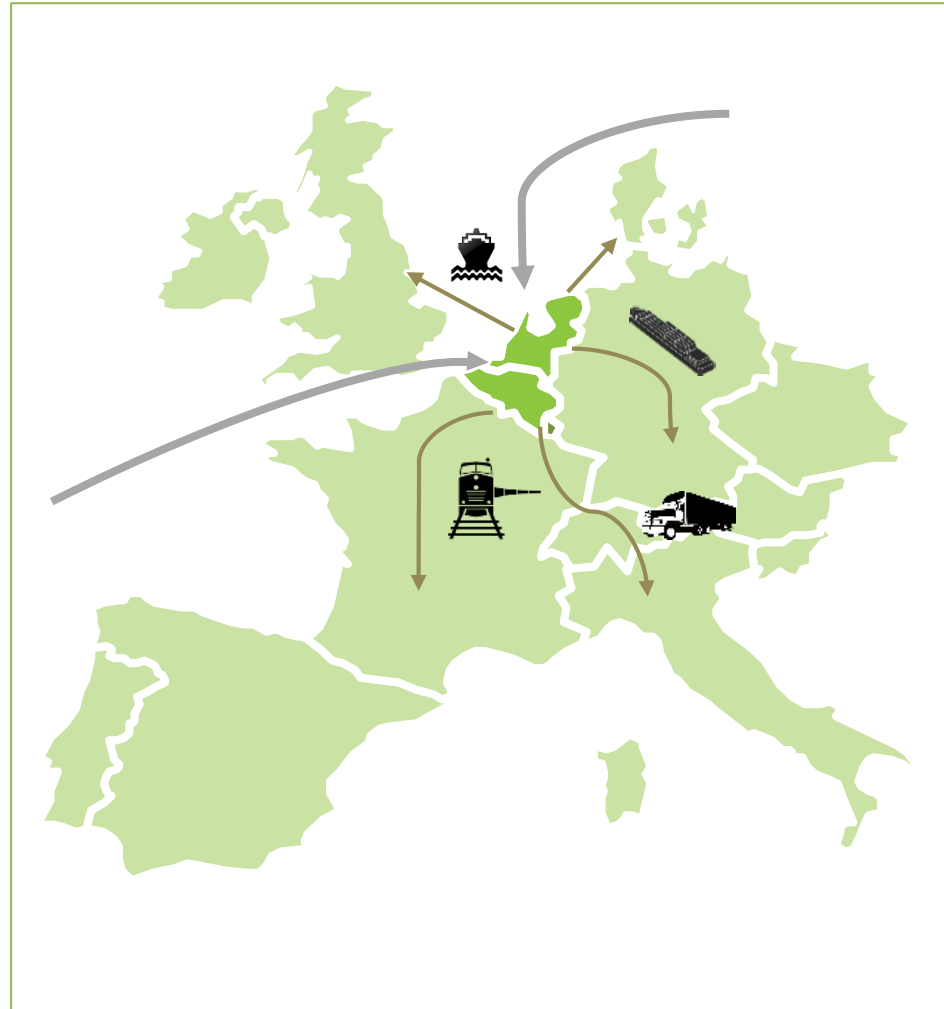
# Additional Sponsor Development and Market Expansion Opportunities

## Sponsor's Development Pipeline <sup>(1)</sup>

**2 - 3 million tons of additional export capacity to serve growing European and Asian markets**



## Market Leadership Enables European Thermal Opportunity



(1) Assets Under Control are shown at estimated capacities and approximate locations. Sites Under Assessment assets are shown at approximate locations.

# Breaking the Fiber Logistics Barrier Unlocks North American Basis Differential

Annual Global Trade in Wood Products is Valued at over \$250 billion

Wood Chip Price (US\$/Dry Ton)



Pelletizing Fiber Breaks Logistics Barrier and Enables Worldwide Delivery

Source: RISI World Timber Price Quarterly – July 2016 for first Quarter 2016

1. Latvia price is CIF Sweden

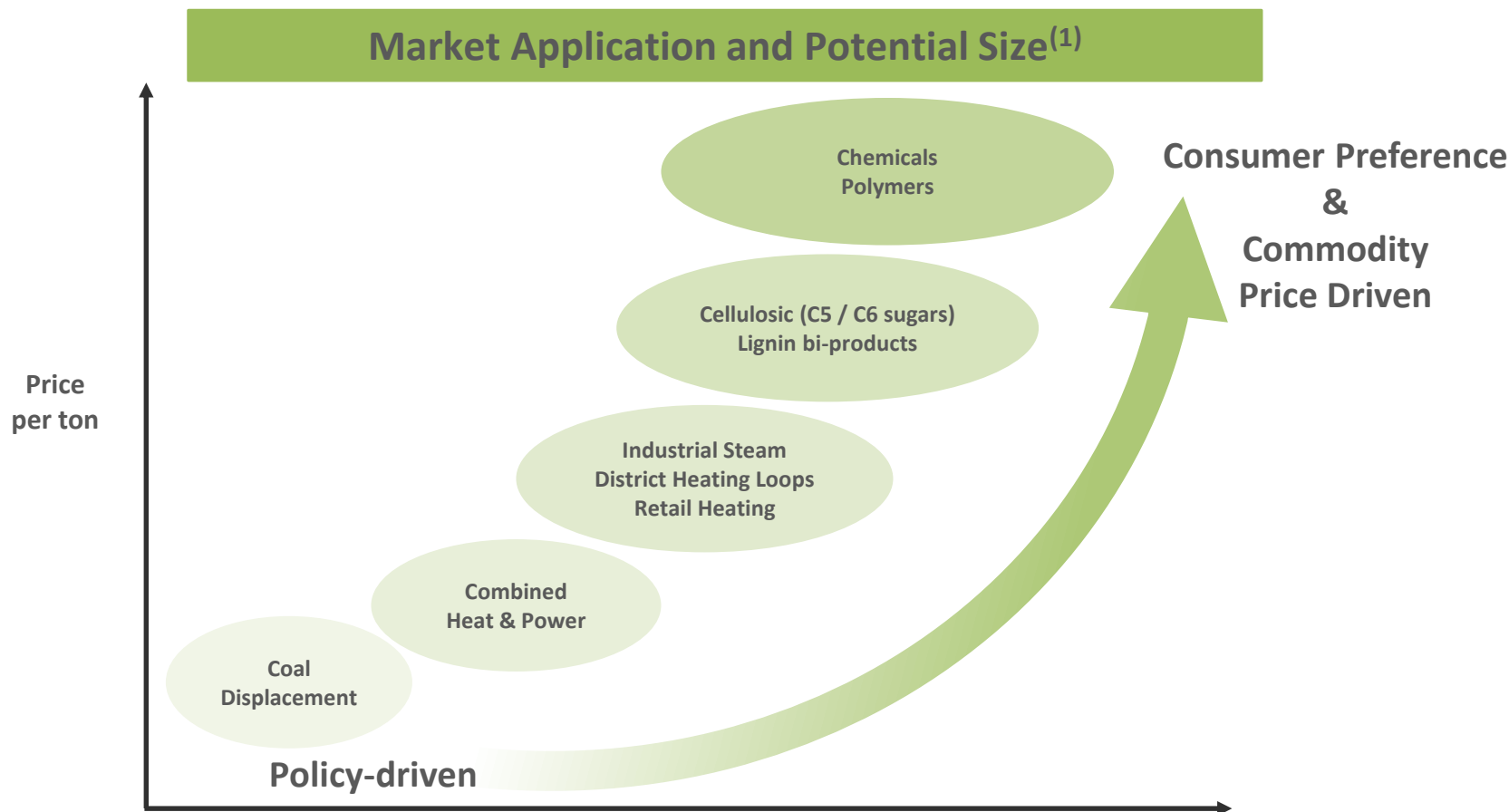
2. Australia price is as of second quarter of 2015





## Market Growing Due to Application Diversity

- Long-term contracted demand for wood pellet displacement of coal has enabled substantial infrastructure investment in processing and logistics assets
- Resulting global distribution capability for low cost fiber creates emerging demand from other applications for wood pellets

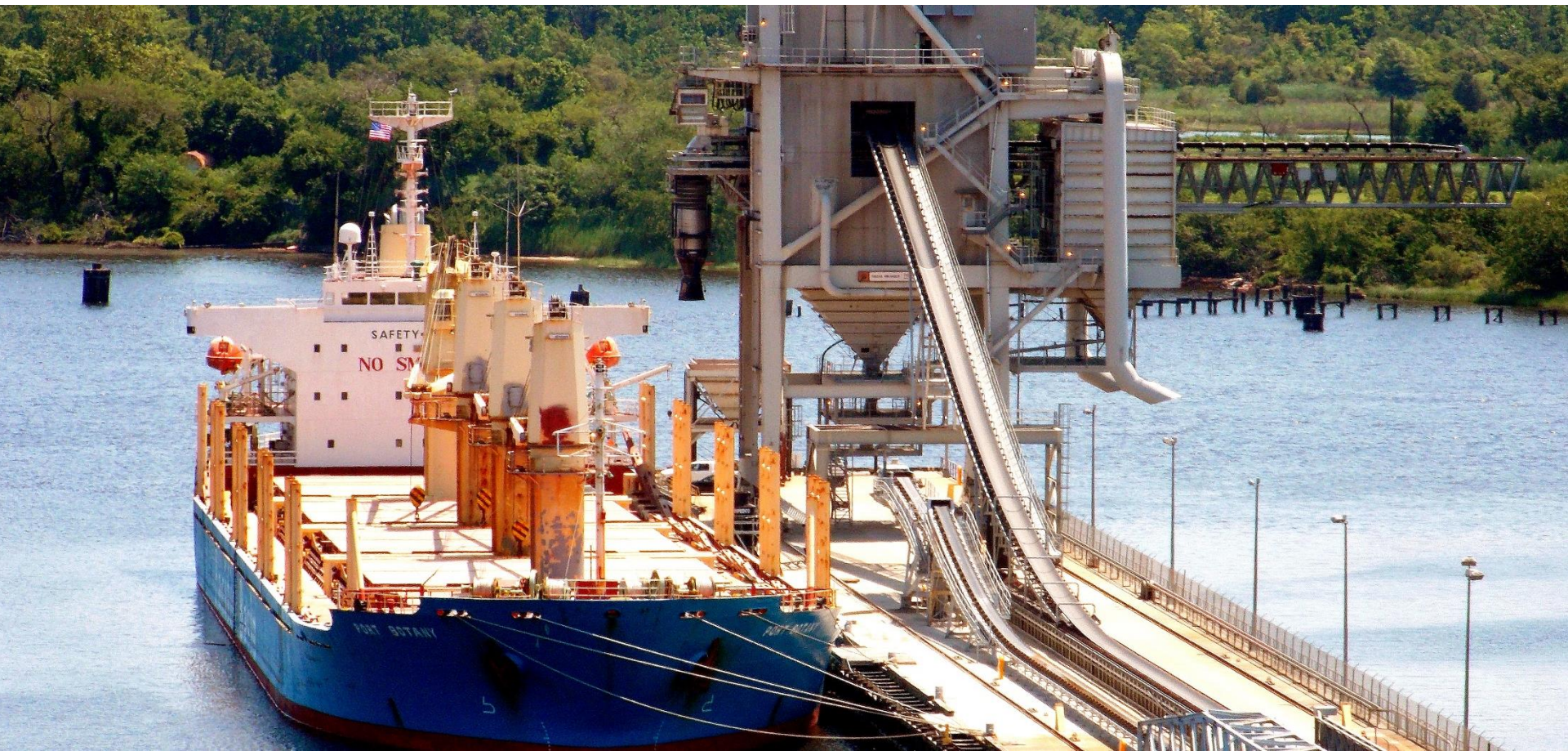


(1) Graph illustrative only

# Enviva: A Compelling Story

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*Enviva's Port of Chesapeake Marine terminal*

**Additional Materials**



# Lower Lifecycle Greenhouse Gases

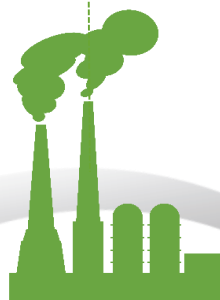
**European Union report:** “the vast majority of the biomass used today in the EU for heat and power are considered to provide **significant greenhouse gas savings** compared to fossil fuels”

Source: State of play on the sustainability of solid and gaseous biomass used for electricity, heating and cooling in the EU. European Commission. July 2014.

## Oak Ridge National Laboratory scientists:

“a robust body of research confirms that forests that are sustainably managed for wood products and energy are associated with **long-term reductions in atmospheric carbon dioxide**”

Source: Dale et al. Ecological objectives can be achieved with wood-derived bioenergy. The Ecological Society of America. 2015.



**Carbon Savings:** “The GHG intensity of pellet based electricity is **74% to 85% lower** than that of coal-based electricity”

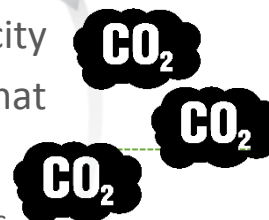
*Authors include Chair of EPA’s Scientific Advisory Board Panel for Biogenic Carbon*

Source: Khanna et al. Carbon savings with transatlantic trade in pellets: accounting for market-driven effects. 2015.



**United Nations report:** “greenhouse gas emissions from coal are **4 times greater** than forest wood bioenergy on a lifecycle basis”

Source: IPCC, 2014: Climate Change 2014: Mitigation of Climate Change. Contribution of Working Group III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change



## 100 U.S. Forest Scientists:

“The carbon **benefits of sustainable forest biomass** energy are well established”

Source: Letter to Gina McCarthy, Administrator, EPA, from professors affiliated with the National Association of University Forest Resource Programs. November 14, 2014.



# Our Activities Sustain Thriving, Healthy Forests

**Our Track & Trace Program, a first-of-its-kind system, is an important element of our responsible wood supply program and provides unprecedented transparency into our procurement activities**

Since Enviva opened  
its first US mill in 2011

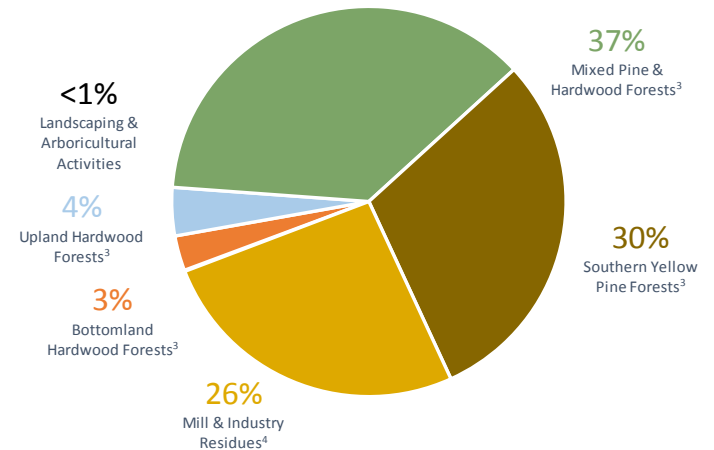
the total amount of forest land in our primary supply area has **increased by 320,842 acres**, with the volume of forest inventory on that land **growing by 10%**.



***“An industry that can reduce greenhouse gas emissions, increase forest growth, and create jobs sounds too good to be true. But that is the reality of the emerging wood pellet market in the Southern U.S.”<sup>1</sup>***

**-USDA Chief Economist Robert Johansson**

Our wood came from these sources:<sup>2</sup>



Certifications and Ongoing Audits by  
Independent Agencies:



<sup>1</sup>.USDA - <http://blogs.usda.gov/2015/06/08/study-finds-increasing-wood-pellet-demand-boosts-forest-growth-reduces-greenhouse-gas-emissions-creates-jobs/>. 2015

<sup>2</sup>.The information in this panel is based on wood supplied to current Enviva facilities during the second half of 2016. Enviva initiated the sale of the Wiggins plant in early 2017. Therefore, the facility's wood sourcing data are not included in this summary, which would not have a significant effect on these summary statistics.

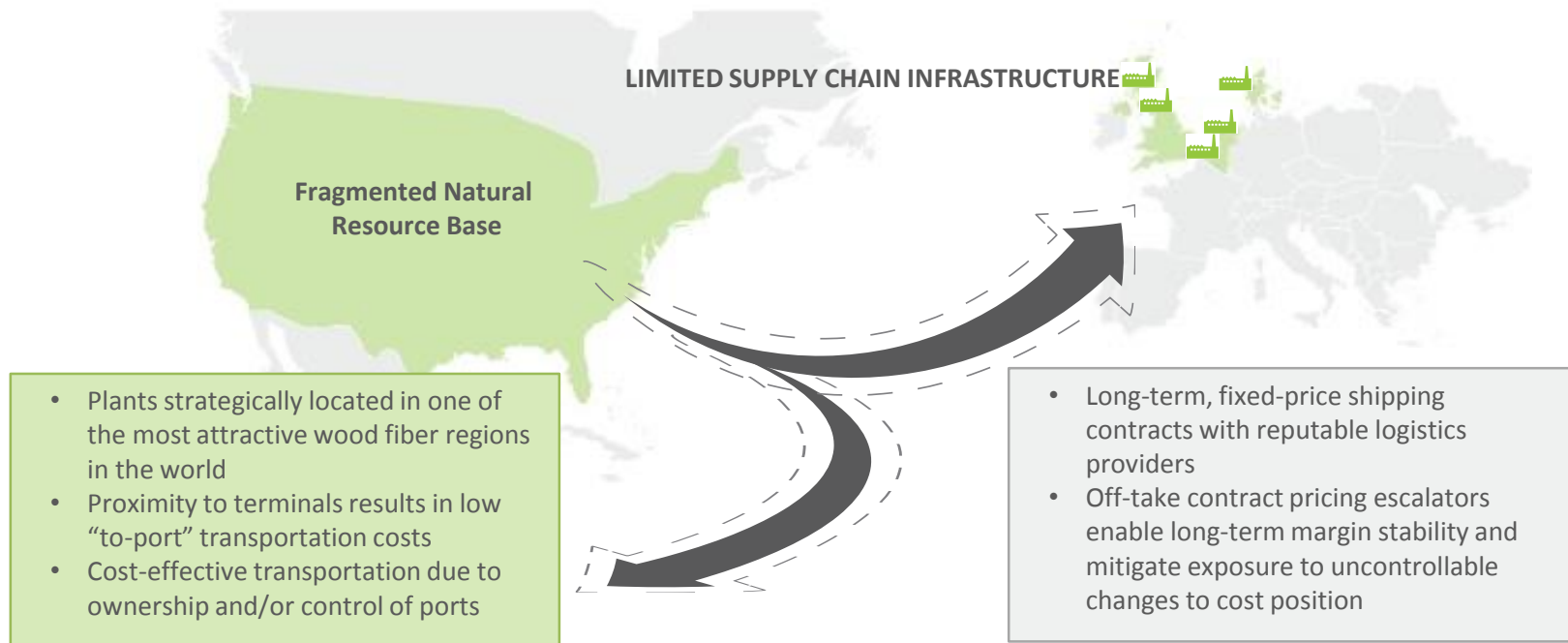
<sup>3</sup>. This wood consists of undersized or “understory” wood that was removed as part of a larger harvest; tops and limbs; brush and “thinnings” that were removed to make additional room for planted pines to grow.

<sup>4</sup>. We can identify the individual production facilities that provided these materials.





# Supply Gap Created by Multiple Hurdles to Entry



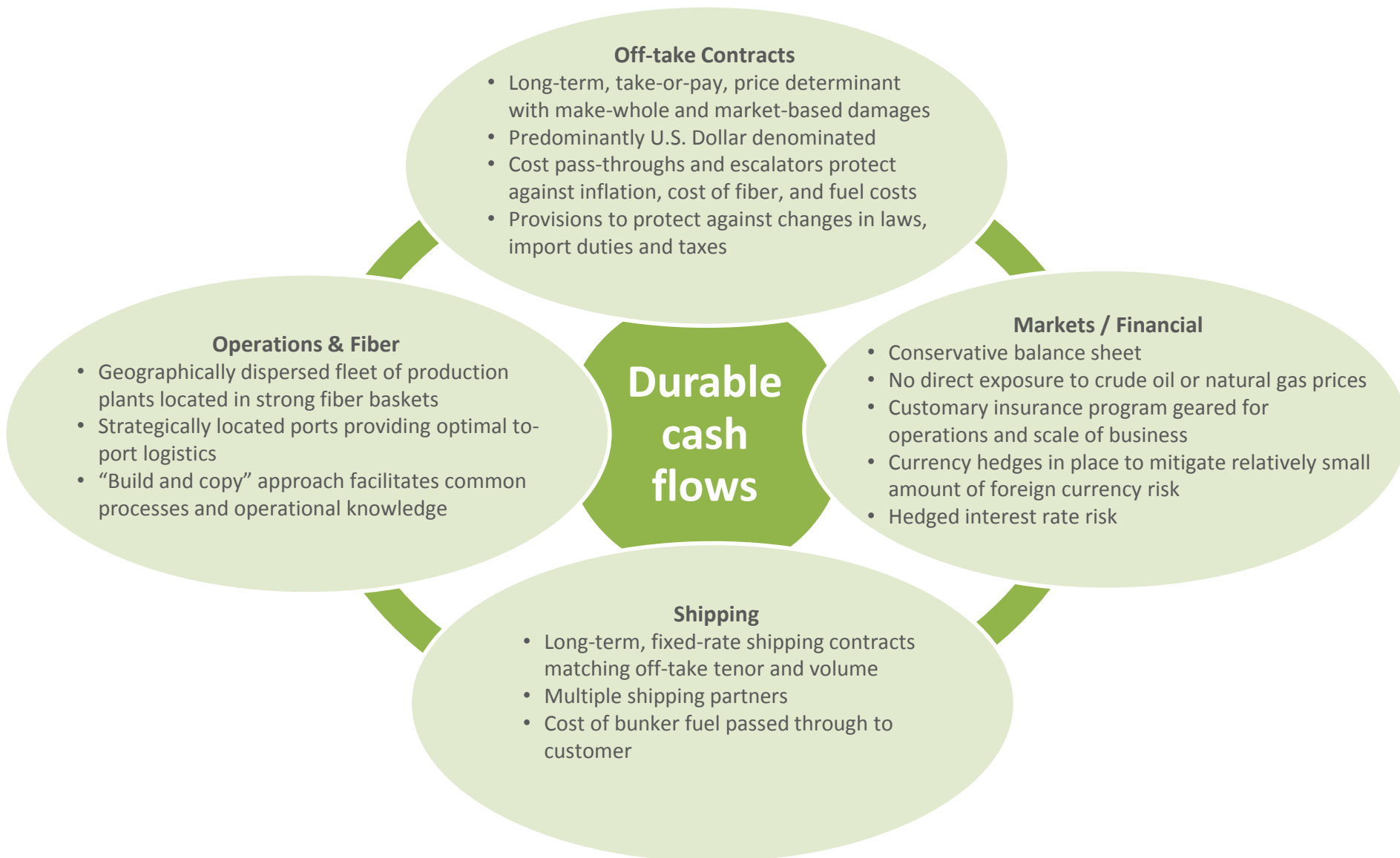
## Deep Process Capabilities Required



Commitment to Excellence in **Safety, Sustainability & Reliability**



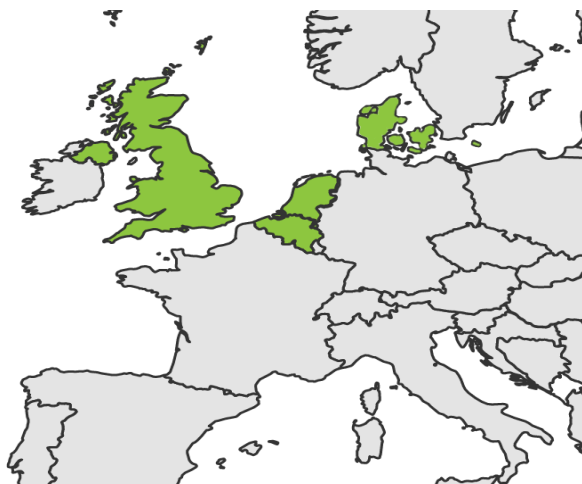
# Business Model Mitigates Risk



*Note: Off-take contract terms are examples of various provisions within our portfolio of contracts; no single contract in our portfolio contains every provision listed above*



## European industrial wood pellet demand expected to grow to 20 million tons by 2021, a 13% annual growth rate<sup>1</sup>



- In the UK, support for the reduction of carbon emissions and renewable energy continues after the Brexit vote. In July 2016, the UK announced its 5<sup>th</sup> carbon budget with emission reduction requirements for 2030, after previously announcing plans to shut down all coal-fired power plants by 2025. In October, parliament agreed to extend the government's powers to award new contract for difference (CfD)<sup>2</sup> incentives for new low-carbon energy projects out to 2026 from the original end date of 2020
- The Macquarie MGT Teesside project in the UK achieved financial close. Our sponsor is the sole supplier of the approximately 1 million MTPY of imported biomass required by the plant, and the Partnership has contracted with our sponsor to supply 470,000 MTPY of these volumes, commencing in 2019 and continuing through 2034
- Drax received EU state-aid approval of the CfD for its third 660 megawatt ("MW") biomass unit, anticipated to require more than 2 million MTPY. Drax has stated that it could convert the remaining three coal-burning units to biomass in the next two to three years under the right conditions.
- DONG Energy, the largest power producer in Denmark, announced that it will completely eliminate the use of coal in its generation of power and heat by 2023, and will replace the fuel with biomass. DONG Energy already has two facilities burning wood pellets, which are expected to consume approximately 1.8 million MTPY of wood pellets at full capacity.
- In the Netherlands, biomass projects were awarded the majority of the 5.0 billion euros in funding available through the second and final round of applications for the 2016 renewable incentive program, including 2.1 billion euros awarded to coal plants planning to co-fire biomass. Both rounds in 2016 were heavily oversubscribed, and RWE, Engie, and Uniper received awards. The Minister of Economic Affairs has announced that the program budget will be increased from 9.0 billion euros in 2016 to 12.0 billion euros in 2017.

<sup>1</sup> Hawkins Wright: The Outlook for Wood Pellets – Demand, Supply, Costs and Prices; First Quarter 2017

<sup>2</sup> CfD – Contract for Difference is a legally binding contract with the UK government that supports biomass conversions in the UK

## Contract and Market Update – Asia and Rest of World

### Asian industrial wood pellet demand expected to grow to nearly 9 million tons by 2021, a 32% annual growth rate<sup>1</sup>



- In Japan, nearly 3.2 gigawatts (“GWs”) of biomass-fired capacity have been approved through the feed-in tariff (FiT) program, of which approximately 500 MWs are commissioned. The Japanese government has set a target of 6.0 to 7.5 GWs of biomass-fired capacity by 2030<sup>2</sup>, which represents demand for 15 to 20 million MTPY of biomass
  - Several recently announced biomass-fueled projects in South Korea are expected to be operational by 2020, increasing the expected South Korean demand for wood pellets up to 6 million MTPY. As this demand is well in excess of expected domestic supply, a significant amount of wood pellets are expected to be imported under long-term contracts, representing a shift from the short-term tender mechanism currently used to purchase biomass in South Korea
  - China’s National Energy Administration announced that the country will spend at least \$360.0 billion on renewable energy through 2030. In addition, published reports indicate that China is expected to increase biomass-fired generation capacity from 10.3 GWs in 2015 to 15 GWs by 2020
- 
- The Partnership signed an agreement to supply a minimum of 160,000 metric tons over three years to Albioma’s 36.5 megawatt, biomass-fueled combined heat and power facility in Martinique, subject to the facility achieving full operation
  - Albioma’s model is replicable in island nations around the world, highlighting the economic benefits of coupling locally sourced biomass with imported wood pellets to displace higher-cost fossil fuels with a compelling environmental solution

<sup>1</sup> Hawkins Wright: The Outlook for Wood Pellets – Demand, Supply, Costs and Prices; First Quarter 2017

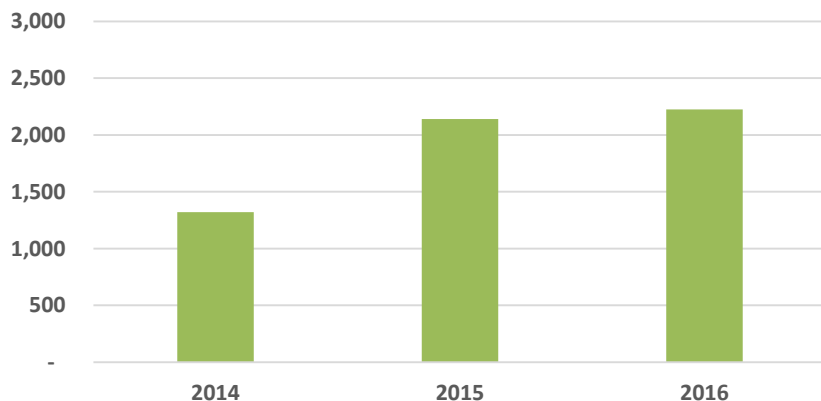
<sup>2</sup> Bloomberg New Energy Finance: Japan Biomass Market Update; June 30, 2016



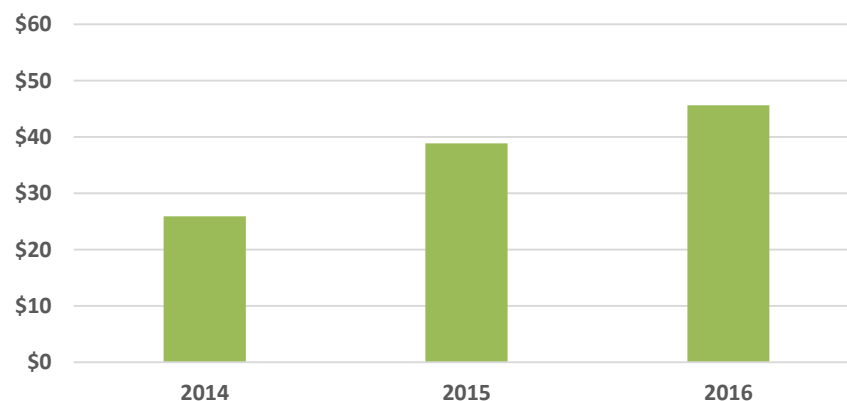
# Contracts and Productivity Drive Organic Growth

- Fully contracted operating facilities create platform for organic growth
  - Off-take contract price escalation delivers topline growth
  - Focus on operational excellence – safety, reliability, sustainability, and continuous improvement delivers cost reductions
  - “Build and copy” fleet of large scale assets create further operating leverage via common processes, equipment, and spares; shared services across facilities
  - Standardized processes make debottlenecking/capacity increases easy to replicate
- Resulting 1% to 2% annual productivity increases materially improve AGM per metric ton

**Production (Metric Tons)**



**Adjusted Gross Margin (AGM) per Metric Ton<sup>1</sup>**



(1) See slide 37 for AGM per Metric Ton reconciliations.

# Growth Supported by Committed Investors



\$550 Million  
Invested  
to Date

- \$34 billion energy/power private investment firm
- Principal owner of our Sponsor



- John Hancock is the US unit of ManuLife Financial and one of the world's largest timberland investment managers
- \$10.5 billion and 5.8 million acres of timberlands under management



## Joint Venture

Strong  
Development  
Engine  
  
&  
  
Customer Contract  
Pipeline

- Separate entity that finances, develops, constructs, and commissions projects from Sponsor pipeline
- Currently owns the operational deep-water marine terminal in Wilmington, NC and is developing and evaluating other wood pellet production plants
- Enviva Holdings, LP can compel the JV to sell assets to EVA if certain investment returns are achieved
- Capital can be recycled for future growth

Attractive cost of  
capital with access  
to capital markets  
for long-term  
funding

ROFO on JV and  
Sponsor Assets

Development

Finance, Construction, and Commissioning

Operations





# High Caliber Leadership

## Management and Board with Significant Industry Experience

### Management

John Keppler  
*Chairman & CEO*

Steve Reeves  
*EVP & CFO*

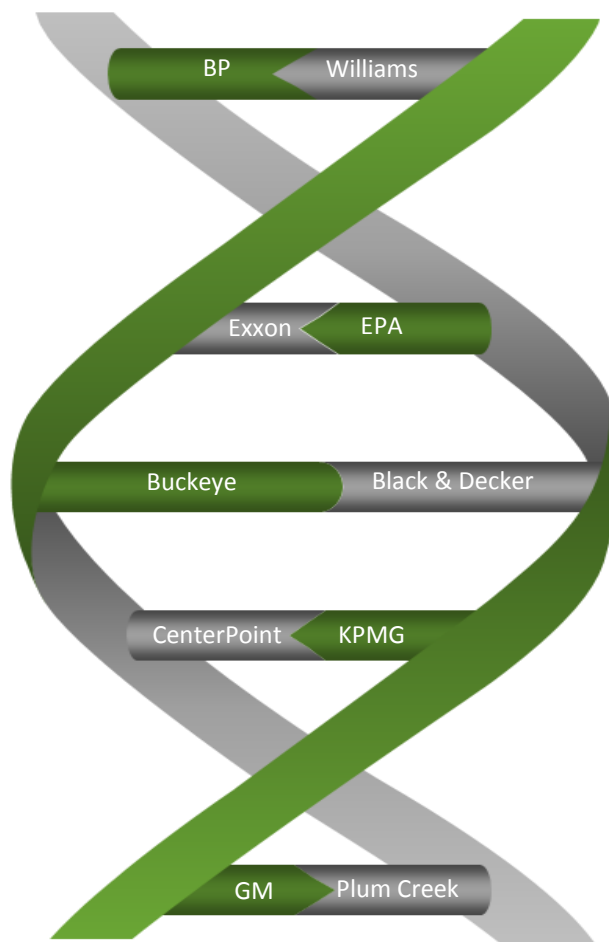
Thomas Meth  
*EVP of Sales & Marketing*

Bill Schmidt  
*EVP & General Counsel*

Royal Smith  
*EVP of Operations*

Jim Geraghty  
*VP & Controller*

Ray Kaszuba  
*VP & Treasurer*



### Directors

John Bumgarner  
*Director (Independent)*

Bill Reilly  
*Director (Independent)*

Gary Whitlock  
*Director (Independent)*

Janet Wong  
*Director (Independent)*

Ralph Alexander  
*Director*

Robin Duggan  
*Director*

Michael Hoffman  
*Director*

Chris Hunt  
*Director*

Carl Williams  
*Director*





## **Financial Information & Reg G Reconciliations**

# Annual Financial Information

## ENVIVA PARTNERS, LP AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF OPERATIONS (In thousands, except per unit amounts)

See Note 1 of our financial statements, Business and Basis of Presentation, to our 2016 Annual Report on Form 10-K (the “10-K”) and slide 34 for basis of presentation.

	Year Ended December 31,		
	2016	2015	2014
		(Recast)	(Predecessor) (Recast)
Product sales	\$444,489	\$450,980	\$286,641
Other revenue	19,787	6,394	3,495
Net revenue	464,276	457,374	290,136
Cost of goods sold, excluding depreciation and amortization	357,209	365,061	251,058
Depreciation and amortization	27,694	30,692	18,971
Total cost of goods sold	384,903	395,753	270,029
Gross margin	79,373	61,621	20,107
General and administrative expenses	29,054	22,027	14,368
Impairment of assets held for sale	9,991	—	—
Loss on disposal of assets	2,386	2,081	340
Income from operations	37,942	37,513	5,399
Other income (expense):			
Interest expense	(15,642)	(10,556)	(8,724)
Related-party interest expense	(578)	(1,154)	—
Early retirement of debt obligation	(4,438)	(4,699)	(73)
Other income	439	979	22
Total other expense, net	(20,219)	(15,430)	(8,775)
Income (loss) before tax expense	17,723	22,083	(3,376)
Income tax expense	—	2,623	15
Net income (loss)	17,723	19,460	(3,391)
Less net loss attributable to noncontrolling partners' interests	3,654	1,899	215
Net income attributable to Enviva Partners, LP	\$21,377	\$21,359	\$(3,176)
Less: Predecessor loss to May 4, 2015 (prior to IPO)	\$—	\$(2,132)	\$264
Less: Pre-acquisition income from April 10, 2015 to December 10, 2015 from operations of Enviva Pellets Southampton Drop-Down allocated to General Partner	—	6,264	—
Less: Pre-acquisition income from inception to December 13, 2016 from operations of Enviva Pellets Sampson Drop-Down allocated to General Partner	(3,231)	(1,815)	(3,440)
Enviva Partners, LP partners' interest in net income	\$24,608	\$19,042	\$—
Net income per common unit:			
Basic	\$ 0.95	\$ 0.80	—
Diluted	\$ 0.91	\$ 0.79	—
Net income per subordinated unit:			
Basic	\$ 0.93	\$ 0.80	—
Diluted	\$ 0.93	\$ 0.79	—
Weighted average number of limited partner units outstanding:			
Common – basic	13,002	11,988	—
Common – diluted	13,559	12,258	—
Subordinated – basic and diluted	11,905	11,905	—
Distribution declared per limited partner unit for respective periods	\$2.10	\$1.1630	—



# Quarterly Financial Information

## ENVIVA PARTNERS, LP AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (In thousands, except per unit amounts)

See Note 1 of our financial statements, Business and Basis of Presentation, to our 2016 Annual Report on Form 10-K (the “10-K”) and slide 34 for basis of presentation. The quarterly information below has been recast accordingly.

	Three Months Ended				
	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016
			(Recast)	(Recast)	(Recast)
Product sales	\$119,047	\$121,220	\$103,577	\$116,247	\$103,445
Other revenue	3,076	5,301	7,217	3,462	3,807
Net revenue	122,123	126,521	110,794	119,709	107,252
Cost of goods sold, excluding depreciation and amortization	95,215	99,190	80,420	92,983	84,616
Depreciation and amortization	8,432	7,265	6,434	7,114	6,881
Total cost of goods sold	103,647	106,455	86,854	100,097	91,497
Gross margin	18,476	20,066	23,940	19,612	15,755
General and administrative expenses	8,301	7,029	8,707	6,369	6,949
Impairment of assets held for sale	—	9,991	—	—	—
Loss on disposal of assets	24	707	1,524	154	1
Income from operations	10,151	2,339	13,709	13,089	8,805
Other income (expense):					
Interest expense	(7,705)	(6,107)	(3,314)	(3,039)	(3,182)
Related-party interest expense	—	(17)	(51)	(301)	(209)
Early retirement of debt obligation	—	(4,438)	—	—	—
Other income	56	165	2	140	132
Total other expense, net	(7,649)	(10,397)	(3,363)	(3,200)	(3,259)
Net income (loss)	2,502	(8,058)	10,346	9,889	5,546
Less net loss attributable to noncontrolling partners' interests	33	187	1,366	1,108	993
Net income (loss) attributable to Enviva Partners, LP	\$2,535	\$(7,871)	\$11,712	\$10,997	\$5,847
Less: Pre-acquisition income (loss) from inception to December 13, 2016 from operations of Enviva Pellets Sampson Drop-Down allocated to General Partner	\$—	\$101	\$(1,321)	\$(1,056)	\$(1,647)
Enviva Partners, LP partners' interest in net income (loss)	\$2,535	\$(7,972)	\$13,033	\$12,053	\$7,494
Net income (loss) per common unit:					
Basic	\$ 0.08	\$(0.34)	\$ 0.51	\$ 0.48	\$ 0.30
Diluted	\$0.07	\$(0.34)	\$ 0.50	\$ 0.47	\$ 0.29
Net income (loss) per subordinated unit:					
Basic	\$0.08	\$(0.32)	\$0.51	\$0.48	\$0.30
Diluted	\$0.08	\$(0.32)	\$ 0.50	\$ 0.47	\$ 0.29
Weighted average number of limited partner units outstanding:					
Common – basic	14,380	13,372	12,919	12,862	12,852
Common – diluted	15,228	13,372	13,480	13,445	13,337
Subordinated – basic and diluted	11,905	11,905	11,905	11,905	11,905



# Non-GAAP Financial Measures

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We provide results that exclude the results of the Sampson Drop-Down for the periods prior to the Sampson acquisition date of December 14, 2016. These illustrative presentations are not presented in accordance with GAAP and should not be considered alternatives to the presentation of the recast financial results of the Partnership. Management views these presentations as important to reflect the Partnership's actual performance during 2016, including as measured against our published guidance for 2016, which did not include the impact of acquisitions.

## Non-GAAP Financial Measures

We use adjusted gross margin per metric ton, adjusted EBITDA and distributable cash flow to measure our financial performance.

### Adjusted Gross Margin per Metric Ton

We define adjusted gross margin as gross margin excluding depreciation and amortization included in cost of goods sold. We believe adjusted gross margin per metric ton is a meaningful measure because it compares our revenue-generating activities to our operating costs for a view of profitability and performance on a per metric ton basis. Adjusted gross margin per metric ton will primarily be affected by our ability to meet targeted production volumes and to control direct and indirect costs associated with procurement and delivery of wood fiber to our production plants and the production and distribution of wood pellets.

### Adjusted EBITDA

We define adjusted EBITDA as net income or loss excluding depreciation and amortization, interest expense, income tax expense, early retirement of debt obligations, non-cash unit compensation expense, asset impairments and disposals, and certain other items of income or loss that we characterize as unrepresentative of our ongoing operations. Adjusted EBITDA is a supplemental measure used by our management and other users of our financial statements, such as investors, commercial banks, and research analysts, to assess the financial performance of our assets without regard to financing methods or capital structure.

### Distributable Cash Flow

We define distributable cash flow as adjusted EBITDA less maintenance capital expenditures and interest expense net of amortization of debt issuance costs and original issue discounts. We use distributable cash flow as a performance metric to compare cash-generating performance of the Partnership from period to period and to compare the cash-generating performance for specific periods to the cash distributions (if any) that are expected to be paid to our unitholders. We do not rely on distributable cash flow as a liquidity measure.

Adjusted gross margin per metric ton, adjusted EBITDA and distributable cash flow are not financial measures presented in accordance with accounting principles generally accepted in the United States ("GAAP"). We believe that the presentation of these non-GAAP financial measures provides useful information to investors in assessing our financial condition and results of operations. Our non-GAAP financial measures should not be considered as alternatives to the most directly comparable GAAP financial measures. Each of these non-GAAP financial measures has important limitations as an analytical tool because they exclude some, but not all, items that affect the most directly comparable GAAP financial measures. You should not consider adjusted gross margin per metric ton, adjusted EBITDA or distributable cash flow in isolation or as substitutes for analysis of our results as reported under GAAP. Our definitions of these non-GAAP financial measures may not be comparable to similarly titled measures of other companies, thereby diminishing their utility.



## Non-GAAP Financial Measures Reconciliation

The following table provides a reconciliation of distributable cash flow and adjusted EBITDA to net income (loss):

	Year Ended December 31,		
	2016	2015	2014
			(Predecessor)
		(Recast)	(Recast)
	(in thousands)		
Reconciliation of distributable cash flow and adjusted EBITDA to net income (loss):			
Net income (loss)	\$17,723	\$19,460	\$(3,391)
Add:			
Depreciation and amortization	27,722	30,738	19,009
Interest expense	16,220	11,710	8,724
Early retirement of debt obligation	4,438	4,699	73
Purchase accounting adjustment to inventory	—	697	—
Non-cash unit compensation expense	4,230	704	2
Income tax expense	—	2,623	15
Asset impairments and disposals	12,377	2,081	340
Transaction expenses	827	893	—
Adjusted EBITDA	\$83,537	\$73,605	\$24,772
Less:			
Interest expense net of amortization of debt issuance costs and original issue discount	15,625	10,104	6,703
Maintenance capital expenditures	5,187	4,359	515
Distributable cash flow attributable to Enviva Partners, LP	\$62,725	\$59,142	\$17,554
Less: Distributable cash flow attributable to incentive distribution rights	1,077	—	—
Distributable cash flow attributable to Enviva Partners, LP limited partners	\$61,648	\$59,142	\$17,554





## Non-GAAP Financial Measures Reconciliation (Cont.)

The following table provides a reconciliation of distributable cash flow and adjusted EBITDA to net income (loss):

See Note 1 of our financial statements, Business and Basis of Presentation, to our 2016 Annual Report on Form 10-K (the “10-K”) and slide 34 for basis of presentation. The quarterly information below has been recast accordingly.

	Three Months Ended				
	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016
			(Recast)	(Recast)	(Recast)
			(in thousands)		
Reconciliation of distributable cash flow and adjusted EBITDA to net (loss) income:					
Net income (loss)	\$2,502	\$(8,058)	\$10,346	\$9,889	\$5,546
Add:					
Depreciation and amortization	8,436	7,270	6,439	7,120	6,893
Interest expense	7,705	6,124	3,365	3,340	3,391
Early retirement of debt obligation	—	4,438	—	—	—
Non-cash unit compensation expense	1,714	1,569	1,161	819	681
Income tax (benefit) expense	—	—	—	—	—
Asset impairments and disposals	24	10,698	1,523	155	1
Transaction expenses	2,533	719	49	6	53
Adjusted EBITDA	\$22,914	\$22,760	\$22,883	\$21,329	\$16,565
Less:					
Interest expense net of amortization of debt issuance costs and original issue discounts	7,324	6,867	2,919	2,894	2,945
Maintenance capital expenditures	452	2,429	1,375	832	551
Distributable cash flow attributable to Enviva Partners, LP	\$15,138	\$13,464	\$18,589	\$17,603	\$13,069
Less: Distributable cash flow attributable to incentive distribution rights	537	361	303	257	156
Distributable cash flow attributable to Enviva Partners, LP limited partners	\$14,601	\$13,103	\$18,286	\$17,346	\$12,913



## Non-GAAP Financial Measures Reconciliation (Cont.)

The following table provides a reconciliation of adjusted gross margin per metric ton:

See Note 1 of our financial statements, Business and Basis of Presentation, to our 2016 Annual Report on Form 10-K (the “10-K”) and slide 34 for basis of presentation. The quarterly information below has been recast accordingly.

	Three Months Ended					Twelve Months Ended		
	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2016	December 31, 2015	December 31, 2014
			(Recast)	(Recast)	(Recast)		(Recast)	(Recast)
	(in thousands, except per metric ton)					(in thousands, except per metric ton)		
<b>Reconciliation of gross margin to adjusted gross margin per metric ton:</b>								
<b>Metric tons sold</b>	623	632	534	620	560	2,346	2,374	1,508
<b>Gross Margin</b>	\$18,476	\$20,066	\$23,940	\$19,612	\$15,755	\$79,373	\$61,621	\$20,107
<b>Depreciation and amortization</b>	8,432	7,265	6,434	7,114	6,881	27,694	30,692	18,971
<b>Adjusted gross margin</b>	\$26,908	\$27,331	\$30,374	\$26,726	\$22,636	\$107,067	\$92,313	\$39,078
<b>Adjusted gross margin per metric ton</b>	\$43.19	\$43.25	\$56.88	\$43.11	\$40.42	\$45.64	\$38.89	\$25.91



## Non-GAAP Financial Measures Reconciliation (Cont.)

The following table presents, in each case for the three months ended and the year ended December 31, 2016, a reconciliation of adjusted EBITDA and distributable cash flow, each excluding the results of the Sampson Drop-Down for the period prior to the Acquisition Date, to the most directly comparable GAAP financial measures, as applicable, for each of the periods indicated:

See Note 1 of our financial statements, Business and Basis of Presentation, to our 2016 Annual Report on Form 10-K (the “10-K”) and slide 34 for basis of presentation. The quarterly information below has been recast accordingly

	Three Months Ended					Twelve Months Ended
	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2016
			(Recast)	(Recast)	(Recast)	
			(in thousands)			(in thousands)
Reconciliation of distributable cash flow and adjusted EBITDA to net (loss) income:						
Net income (loss)	\$2,502	\$(8,058)	\$10,346	\$9,889	\$5,546	\$17,723
Add:						
Depreciation and amortization	8,436	7,270	6,439	7,120	6,893	27,722
Interest expense	7,705	6,124	3,365	3,340	3,391	16,220
Early retirement of debt obligation	—	4,438	—	—	—	4,438
Non-cash unit compensation expense	1,714	1,569	1,161	819	681	4,230
Asset impairments and disposals	24	10,698	1,523	155	1	12,377
Transaction expenses	2,533	719	49	6	53	827
Effect of Sampson Drop-Down recast	—	(544)	2,586	2,131	1,932	6,105
Adjusted EBITDA	\$22,914	\$22,216	\$25,469	\$23,460	\$18,497	\$89,642
Less:						
Interest expense net of amortization of debt issuance costs and original issue discount	7,324	6,857	2,919	2,894	2,945	15,614
Maintenance capital expenditures	452	2,429	1,375	832	551	5,187
Distributable cash flow attributable to Enviva Partners, LP	\$15,138	\$12,930	\$21,175	\$19,734	\$15,002	\$68,841
Less: Distributable cash flow attributable to incentive distribution rights	537	361	303	257	156	1,077
Distributable cash flow attributable to Enviva Partners, LP limited partners	\$14,601	\$12,569	\$20,872	\$19,477	\$14,846	\$67,764



## Non-GAAP Financial Measures Reconciliation (Cont.)

The following table provides a reconciliation of the estimated range of distributable cash flow and adjusted EBITDA to the estimated range of net income. Guidance was provided on May 10, 2017:

	Twelve Months Ending December 31, 2017
Estimated net income	\$29.0 – 33.0
Add:	
Depreciation and amortization	37.0
Interest expense	31.4
Non-cash unit compensation expense	6.6
Asset impairments and disposals	4.0
Transaction expenses	3.0
Estimated adjusted EBITDA	\$111.0 – 115.0
Less:	
Interest expense net of amortization of debt issuance costs and original issue discounts	29.7
Maintenance capital expenditures	5.1
Estimated distributable cash flow <sup>1</sup>	\$76.2 – 80.2

The following table provides a reconciliation of the estimated range of adjusted EBITDA to the estimated range of net income. Guidance was provided on and as of November 3, 2016, and affirmed on February 23, 2017:

	Twelve Months Ending December 31, 2017
Estimated net income (loss)	\$31.0 – 35.0
Add:	
Depreciation and amortization	34.5
Interest expense	31.3
Non-cash unit compensation expense	6.6
Asset impairments and disposals	4.0
Acquisition transaction expenses	-
Early retirement of debt obligations	2.6
Estimated adjusted EBITDA	\$110.0 – 114.0

(1) Prior to any distributions paid to our general partner



## Non-GAAP Financial Measures Reconciliation (Cont.)

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The following table provides a reconciliation of estimated adjusted EBITDA to estimated net (loss) income, in each case for the twelve months ending December 31, 2018 and December 31, 2019, associated with the Wilmington terminal and related contracts (in millions):

	Twelve Months Ending December 31, 2018	Twelve Months Ending December 31, 2019
Estimated net (loss) income	\$(2.1)	\$0.9
Add:		
Depreciation and amortization	4.3	4.3
Interest expense	2.8	2.8
Estimated adjusted EBITDA	\$5.0	\$8.0



## Non-GAAP Financial Measures Reconciliation (Cont.)

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Our sponsor's estimates of incremental adjusted EBITDA for the Wilmington terminal and the Hamlet plant are based on numerous assumptions that are subject to significant risks and uncertainties. The assumptions underlying our sponsor's estimates of incremental adjusted EBITDA generated by certain of its assets are inherently uncertain and subject to significant business, economic, financial, regulatory, and competitive risks and uncertainties that could cause actual results and amounts to differ materially from those estimates. For more information about such significant risks and uncertainties, please see the risk factors discussed or referenced in our filings with the Securities and Exchange Commission (the "SEC"), including the Annual Report on Form 10-K and the Quarterly Reports on Form 10-Q most recently filed with the SEC. A reconciliation of Wilmington's estimated incremental adjusted EBITDA to account for anticipated throughput from the Hamlet plant to the closest GAAP financial measure is not provided because GAAP net income generated by the Wilmington terminal is not available without unreasonable effort, in part because the amount of estimated incremental interest expense related to the financing of the additional payment due upon first deliveries from the Hamlet plant is not available at this time. A reconciliation of the Hamlet plant's estimated incremental adjusted EBITDA to the closest GAAP financial measure is not provided because GAAP net income generated by the Hamlet plant is not available without unreasonable effort. The amount of interest expense and the amount of depreciation and amortization expense with respect to the Hamlet plant is not available at this time.







**Contact:**

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