

Carbon Streaming Closes Community Carbon Stream

US\$20M Stream Covers 7 Projects Across 5 African Countries and is Expected to Avoid 50 Million tCO₂e of Emissions Over 15 Years

Carbon Streaming and Community Carbon Establish Impact Fund to Reinvest Project Revenue Back Into Communities

TORONTO--(BUSINESS WIRE)--August 16, 2022--Carbon Streaming Corporation (NEO: **NETZ**) (OTCQB: **OFSTF**) (FSE: **M2Q**) (“**Carbon Streaming**” or the “**Company**”) is pleased to confirm that it has closed the previously announced US\$20.0 million carbon credit streaming agreement (“**Carbon Stream**”) with Community Carbon and UpEnergy Group (“**UpEnergy**”) to bring fuel-efficient cookstoves and safe water solutions to millions of households in eastern and southern Africa. These vital energy-saving devices are designed to reduce emissions, improve health outcomes, and preserve local environments by protecting forests from illegal and unsustainable charcoal and wood harvesting.

Investment Highlights:

- The Company made an upfront deposit payment of US\$6.5 million on closing, with anticipated additional payments of up to US\$13.5 million as emissions reduction milestones are met and as cookstove and water purification units are distributed.
- Carbon credits will be generated from a diversified portfolio of three cookstove and four safe water projects across Uganda, Mozambique, Tanzania, Zambia, and Malawi (individually a “**Project**” and collectively the “**Portfolio**”).
- The Portfolio aims to reduce approximately 50 million tonnes of CO₂ equivalent (“**tCO₂e**”) emissions over the 15-year life of the Carbon Stream, or an average of 3.3 million tCO₂e annually, and is expected to generate an equivalent number of carbon credits.
- Carbon Streaming expects payback in less than 5 years based on recent market price trends for cookstove credits.

Carbon Streaming Founder and CEO Justin Cochrane stated: “We are pleased to close this remarkable stream investment with Community Carbon and incorporate these critical energy efficiency projects into Carbon Streaming’s diverse portfolio. Reducing energy poverty for millions in sub-Saharan Africa while reducing greenhouse gas emissions exemplifies our unique investment approach to deliver impacts beyond carbon to communities around the world.”

In connection with entering into the Carbon Stream, Community Carbon has created an impact fund to support additional community programs. The Impact Fund, which will be jointly funded by Community Carbon and Carbon Streaming, will contribute a portion of the Portfolio’s carbon credit sales revenue over the life of the Carbon Stream to support additional programs, commencing with initiatives dedicated to the education and empowerment of women and girls, who are disproportionately impacted by climate change. To accelerate the Impact Fund’s work, Carbon Streaming has made an initial advance of US\$375,000 to the fund, with the first projects to be supported starting in the third quarter of calendar year 2022.

As detailed in the May 17th 2022 news release, Community Carbon’s Portfolio is expected to catalyze compounding social and economic benefits, through job creation via local manufacturing, avoided wood and fuel costs, and local tree planting.

The Portfolio comprises seven energy-saving projects: cookstove projects in Mozambique, Uganda and Tanzania, and safe water projects in Malawi, Mozambique, Uganda and Zambia. The roll out is underway in Mozambique, Uganda, Malawi and Tanzania and will continue over the next two years with the expected delivery of 3.5 million fuel-efficient, clean cookstoves and water purification devices to communities across the five countries. The Portfolio has a goal to reduce approximately 50 million tCO₂e emissions over the 15-year life of the Projects and is expected to generate an equivalent number of carbon credits, which will be independently verified under The Gold Standard, and for Tanzania, through Verra.

The generation of carbon credits is expected to commence in calendar year 2023 and ramp up as cookstove and water purification units are distributed. The Portfolio is estimated to generate an average of 3.3 million carbon credits per year, peaking at approximately 6 million carbon credits for vintage 2027. Annual issuances of carbon credits generally occur six to 12 months following the vintage year for which the credits are verified. Carbon Streaming expects payback in less than 5 years based on recent market price trends for cookstove credits.

Under the terms of the Carbon Stream, the responsibilities and rights to marketing the carbon credits generated by the Portfolio will be shared between Carbon Streaming and Community Carbon. A marketing and sales agreement has been entered into by the parties to align such efforts.

About Carbon Streaming

Carbon Streaming is an ESG principled company offering investors exposure to carbon credits, a key instrument used by both governments and corporations to achieve their carbon neutral and net-zero climate goals. Our business model is focused on acquiring, managing and growing a high-quality and diversified portfolio of investments in projects and/or companies that generate or are actively involved, directly or indirectly, with voluntary and/or compliance carbon credits.

The Company invests capital through carbon credit streaming arrangements with project developers and owners to accelerate the creation of carbon offset projects by bringing capital to projects that might not otherwise be developed. Many of these projects have significant social and economic co-benefits in addition to their carbon reduction or removal potential.

The Company has executed carbon credit streaming agreements related to over 10 projects around the globe, including nature-based, biochar, clean cookstove and water filtration projects.

To receive corporate updates via e-mail as soon as they are published, please subscribe here.

About Community Carbon

Community Carbon distributes energy-saving products such as cleaner cookstoves and safe water systems in southern and eastern Africa. Community Carbon focuses on reducing emissions, improving community outcomes, and preserving local environments. Our approach goes further, stimulating additional social and economic benefits by focusing on local manufacturing, reinvesting project revenue to build and deploy more devices in the community, supporting local tree-planting programs, and supporting the education and empowerment of women and girls through a climate resilience impact fund. Community Carbon combats energy poverty by tapping into carbon markets and the global community's drive to reduce emissions — because together, we can do more. Community Carbon was established in 2022 by UpEnergy. Learn more at <https://www.communityco2.org>.

About UpEnergy

UpEnergy makes cleaner technology accessible to all. We quantify the emissions reductions resulting from our products according to rigorous standards such as The Gold Standard and Verra. Our team brings 50+ years of collective experience to the development of emission reduction projects that achieve real local income, social, and environmental benefits. Learn more at <https://www.upenergygroup.com/>.

Advisories

The references to third party websites and sources contained in this news release (including information with regards to Community Carbon and UpEnergy) are provided for informational purposes and are not to be considered statements of the Company.

Cautionary Statement Regarding Forward-Looking Information

This news release contains certain forward-looking statements and forward-looking information (collectively, “forward-looking information”) within the meaning of applicable securities laws. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future, including, without limitation, statements and figures with respect to the estimation of devices deployed; future carbon credit generation and emissions reductions from the Portfolio; estimations related to the Carbon Streaming payback period; the ability for the Portfolio to be independently verified by The Gold Standard or Verra; the expected benefits associated with the deployment and use of the energy-saving devices; timing to meet additional payment milestones; the use of proceeds from the Carbon Stream; the benefits associated with and timing of first projects for the Community Carbon Impact Fund; timing of generation of emissions reductions; the generation of local community benefits from the Portfolio and the Community Carbon Impact Fund; statements with respect to execution of the Company’s portfolio and partnership strategy.

When used in this news release, words such as “estimates”, “expects”, “plans”, “anticipates”, “will”, “believes”, “intends” “should”, “could”, “may” and other similar terminology are intended to identify such forward-looking statements. This forward-looking information is based on the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking information is subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. They should not be read as a guarantee of future performance or results, and will not necessarily be an accurate indication of whether or not such results will be achieved. Factors that could cause actual results or events to differ materially from current expectations include, among other things: dependence on key management; limited operating history for the Company’s current strategy; concentration risk; inaccurate estimates of growth strategy, including the ability of the Company to source appropriate opportunities/investments; volatility in prices of carbon credits and demand for carbon credits; general economic, market and business conditions; failure or timing delays for projects to be validated and ultimately developed or greenhouse gases emissions reductions and removals to be verified and carbon credits issued; uncertainties and ongoing market developments surrounding the regulatory framework applied to the verification, and cancellation of carbon credits and the Company’s ability to be, and remain, in compliance; actions by governmental authorities, including changes in or to government regulation, taxation and carbon pricing initiatives; uncertainties surrounding the ongoing impact of the COVID-19 pandemic; foreign operations and political risks; risks arising from competition and future acquisition activities; due diligence risks, including failure of third parties’ reviews, reports and projections to be accurate; global financial conditions, including fluctuations in interest rates, foreign exchange rates and stock market volatility; dependence on project developers, operators and owners, including failure by such counterparties to make payments or perform their operational or other obligations to the Company in compliance with the terms of contractual arrangements between the Company and such counterparties; failure of projects to generate carbon credits, or natural disasters such as flood or fire which could have a material adverse effect on the ability of any project to generate carbon credits; change in social or political views towards climate change and subsequent changes in corporate or government policies or regulations; operating and capital costs; potential conflicts of interest; unforeseen title defects; the Company’s ability to complete proposed acquisitions and the impact of such acquisitions on the Company’s business; anticipated future sources of funds to meet working capital requirements; future capital expenditures and contractual commitments; expectations regarding the Company’s growth and results of operations; the Company’s dividend policy; volatility in the market price of the Company’s common shares or warrants; the effect that the issuance of additional securities by the Company could have on the market price of the Company’s common shares or warrants; and the other risks disclosed under the heading

“Risk Factors” and elsewhere in the Company’s Annual Information Form dated as of September 27, 2021 filed on SEDAR at www.sedar.com. These risks, as well as others, could cause actual results and events to vary significantly. Accordingly, readers should exercise caution in relying upon forward-looking statements and the Company undertakes no obligation to publicly revise them to reflect subsequent events or circumstances, except as required by law.

Contacts

ON BEHALF OF THE COMPANY:

Justin Cochrane, Chief Executive Officer

Tel: 647.846.7765

info@carbonstreaming.com

www.carbonstreaming.com

Investor Relations

Andrea Cheung, VP, Investor Relations

info@carbonstreaming.com

MEDIA CONTACTS:

Amy Chambers, Carbon Streaming Corporation

media@carbonstreaming.com

Nikki Arnone, Inflection Point Agency for Community Carbon

nikki@inflectionpointagency.com