



NEO Exchange: **NETZ**  
OTCQB: **OFSTF** | FSE: **M2Q**

## NEWS RELEASE

# CARBON STREAMING ANNOUNCES ENFIELD BIOCHAR STREAM AGREEMENT WITH STANDARD BIOCARBON

## *US\$1.3 Million U.S. Biochar Carbon Removals Project and Royalty on Biochar Revenue*

TORONTO, ON, November 3, 2022, Carbon Streaming Corporation (NEO: **NETZ**) (OTCQB: **OFSTF**) (FSE: **M2Q**) ("**Carbon Streaming**" or the "**Company**") is pleased to announce that it has entered into a carbon credit streaming agreement and associated royalty agreement (collectively, "**Enfield Biochar Stream**" or the "**Carbon Stream**") with Standard Biocarbon Corporation ("**Standard Biocarbon**") to support the construction of a biochar pyrolysis pilot facility in Enfield, Maine, USA (the "**Project**").

### Transaction Highlights:

- The Project will convert waste biomass into biochar, preventing the release of approximately 90,000 tonnes of CO<sub>2</sub> equivalent ("**tCO<sub>2</sub>e**") emissions and generate an equivalent number of CO<sub>2</sub> removal certificates ("**CORCs**") over 30 years.
- The CORCs are expected to be independently verified and registered through Puro.earth, a leading standard for carbon removal projects.
- Carbon Streaming will receive 100% of the CORCs generated by the Project, with ongoing payments to Standard Biocarbon for each CORC sold.
- Carbon Streaming will also receive a revenue royalty on volume of biochar sold. The Company expects the Project to produce approximately 250,000 cubic yards ("**yd<sup>3</sup>**") of biochar over 30 years.
- First biochar production and delivery of CORCs are expected in the second half of calendar year 2023.
- The Company has made an initial upfront deposit of US\$0.5 million on closing, with additional payments of US\$0.8 million as the Project achieves registration and production milestones.

### Impact Highlights:

- Biochar is a stable form of carbon which remains inert and prevents the release of CO<sub>2</sub> emissions for centuries.
- Biochar can play an important role in climate change adaptation by increasing the water retention capacity of soil and catch basins, creating resiliency to extremes in precipitation while mitigating harmful runoff.

- By using consistently high-quality feedstock, and industry leading pyrolysis technology from PYREG of Dörth, Germany, the Project is targeting the production of high-quality biochar which meets specifications for the highest value applications.
- The Project will contribute to the local economy by providing employment in nearby communities.
- Through the use of PYREG technology, the Project is expected to deliver on eight UN Sustainable Development Goals, including Climate Action (13), Zero Hunger (2), Clean Water and Sanitation (6), Affordable and Clean Energy (7), Industry, Innovation and Infrastructure (9), Sustainable Cities and Communities (11), Responsible Consumption and Production (12), and Life on Land (15).

Carbon Streaming Founder and CEO Justin Cochrane stated: “We are excited to announce our second biochar removals streaming agreement in the USA. With strong storage permanence, we believe that biochar will have increasing importance in advancing the removal of global emissions. We look forward to future partnership opportunities with Standard Biocarbon as it scales its business in the northeastern United States.”

Standard Biocarbon President & CEO Fred Horton commented: “We are pleased to collaborate with Carbon Streaming as we bring this exciting project to life. Our vision for building biochar production through win-win partnerships with leading lumber mills provides a clear and realistic path to scale. This innovative funding from Carbon Streaming fills a critical role in enabling us to build our first pilot plant using this model. We believe this will help catalyze a new industry producing premium quality biochar with many beneficial applications, and supporting sustainable rural community development while putting millions of tons of carbon back in the ground.”

The Project comprises the development of a pilot facility using carbonization systems engineered and built by PYREG GmbH (“**PYREG**”), through which woodchips and sawdust from the Pleasant River Lumber Co. mill in Enfield, Maine are converted into premium-quality biochar. Biochar, short for biological charcoal, is a stable, porous, near-pure form of carbon which remains inert for centuries. CORCs are generated from the biochar’s ability to store carbon and prevent the release of CO<sub>2</sub> into the atmosphere. The biochar itself also has a variety of applications in agriculture, environmental remediation and construction materials. In addition, the heat generated in the pyrolysis process is expected to be used in the mill’s drying kilns.

PYREG is a German net-zero technology engineering and manufacturing company. Since 2009, the company has deployed 50 of its plants globally. As a result, PYREG has a strong track record, with many of its customers producing both premium-quality biochar and generating CORCs under the Puro.earth standard. Moreover, Standard Biocarbon’s strong partnership with PYREG provides an excellent foundation for future project expansion, at numerous locations across New England and Eastern Canada. Given the importance of its partnership with Standard Biocarbon, PYREG recently established the office of its US subsidiary (Pyreg, Inc.) near Standard Biocarbon’s headquarters in Portland, Maine.

Over its 30-year life, the Project is expected to remove approximately 90,000 tCO<sub>2</sub>e emissions, generating an equivalent number of CORCs, and produce approximately 250,000 yd<sup>3</sup> of biochar. First production of biochar and initial delivery of CORCs are targeted for the second half of calendar year 2023 and expected to ramp up to full production in 2024. Carbon Streaming will market and sell 100% of CORCs delivered from the Project and will also receive a royalty on volume of biochar sold. The CORCs are expected to be verified and registered through Puro.earth, a leading global standard for carbon removal projects.

Under the terms of the Enfield Biochar Stream, the Company will make an upfront deposit of up to US\$1.3 million. At closing, US\$0.5 million of the upfront deposit was paid and the Company will make additional milestone payments of US\$0.8 million as the Project achieves registration and production milestones.

Proceeds from the Carbon Stream are fundamental to the construction of the Enfield biochar pyrolysis facility. Carbon Streaming will also make ongoing delivery payments to Standard Biocarbon for each CORC sold under the Carbon Stream. Ongoing delivery payments will be toward the lower end of the range of the Company's other stream investments since biochar has other revenue generating applications.

Removal credits are in high demand and typically trade at a premium. Pricing for CORCs on the Puro.earth CORC Biochar Price Index have ranged from approximately US\$105/CORC to US\$150/CORC year to date.

### **About Carbon Streaming**

[Carbon Streaming](#) aims to accelerate a net-zero future. We pioneered the use of streaming transactions, a proven and flexible funding model, to scale high-integrity carbon credit projects to accelerate global climate action and advance the United Nations Sustainable Development Goals. This approach aligns our strategic interests with those of project partners to create long-term relationships built on a shared commitment to sustainability and accountability and positions us as a trusted source for buyers seeking high-quality carbon credits.

The Company's focus is on projects that have a positive impact on the environment, local communities, and biodiversity, in addition to their carbon reduction or removal potential. The Company has carbon credit streams and royalties related to over 20 projects around the world, including projects involving nature-based solutions, the distribution of fuel-efficient cookstoves and water filtration devices, sustainable community projects focused on waste avoidance and energy efficiency, agricultural methane avoidance and biochar carbon removal.

To receive corporate updates via e-mail, please subscribe [here](#).

### **About Standard Biocarbon**

Standard Biocarbon has a mission to lead the creation of a modern North American biochar industry as part of a global climate solution. Standard Biocarbon's model is to co-locate operations at lumber mills where it will function as an onsite customer for wood residuals while also providing thermal energy to the mill for lumber drying kilns.

Standard Biocarbon's pilot facility, at Pleasant River Lumber's mill in Enfield, Maine, will convert low value residuals from lumber production into biochar for use in agriculture, remediation, filtration and other emerging applications. There are at least 15 other sawmills in Maine that would be excellent sites for biochar production and Standard Biocarbon is talking to owners of several of these. Maine has lost markets for over four million tons of low-grade wood, biomass and mill residuals in the past decade, and the need for expanded and diversified markets for sawmill residuals is noted in the [Maine Forest Action Plan: 2020](#). Biochar production provides another market for this low-grade wood.

Standard Biocarbon's goal is to create a new growth industry, leveraging the infrastructure and know-how of the region's thriving forest products sector to serve growing demand for better soil, cleaner water and less CO<sub>2</sub> in the air. For more information, visit [www.standardbiocarbon.com](http://www.standardbiocarbon.com).

### **ON BEHALF OF THE COMPANY:**

Justin Cochrane, Chief Executive Officer

Tel: 647.846.7765

[info@carbonstreaming.com](mailto:info@carbonstreaming.com)

[www.carbonstreaming.com](http://www.carbonstreaming.com)

## **Investor Relations**

Andrea Cheung, VP, Investor Relations

[investors@carbonstreaming.com](mailto:investors@carbonstreaming.com)

## **Media**

Amy Chambers, Director, Marketing, Communications & Sustainability

[media@carbonstreaming.com](mailto:media@carbonstreaming.com)

## **Advisories**

The references to third party websites and sources contained in this news release (including information with regard to Standard Biocarbon and PYREG) 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, are forward-looking information, including, without limitation, statements and figures with respect to the expected number of future CORCs generation and emission reductions and removals from the Project; the expected amount of future biochar production; the ability for the Project to be independently verified and registered by Puro.earth; the timing of delivery of CORCs under the Carbon Stream; timing to meet additional payment milestones; the anticipated premium pricing for the CORCs; the expected sources of emission reductions and removals generated by the Project; the expected delivery on UN Sustainable Development Goals; the use of proceeds from the Carbon Stream; the demand for removal credits; the expected impact of regulatory developments on the Project; and 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: volatility in prices of carbon credits and demand for carbon credits; change in social or political views towards climate change and subsequent changes in corporate or government policies or regulations and associated changes in demand for carbon credits; limited operating history for the Company’s current strategy; risks arising from competition and future acquisition activities; concentration risk; inaccurate estimates of growth strategy, including the ability of the Company to source appropriate opportunities and enter into stream, royalty or other agreements; dependence upon key management; general economic, market and business conditions and global financial conditions, including fluctuations in interest rates, foreign exchange rates and stock market volatility; uncertainties and ongoing market developments surrounding the validation and verification requirements of the voluntary and/or compliance markets; failure or timing delays for projects to be

registered, validated and ultimately developed and for emission reductions or removals to be verified and carbon credits issued; foreign operations and political risks including actions by governmental authorities, including changes in or to government regulation, taxation and carbon pricing initiatives; due diligence risks, including failure of third parties' reviews, reports and projections to be accurate; dependence on project partners, 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; 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; global health crises, such as pandemics and epidemics, including the ongoing COVID-19 pandemic and the uncertainties surrounding the ongoing impact of the COVID-19 pandemic; and the other risks disclosed under the heading "Risk Factors" and elsewhere in the Company's Annual Information Form dated as of September 26, 2022 filed on SEDAR at [www.sedar.com](http://www.sedar.com).

Any forward-looking information speaks only as of the date of this news release. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein. Except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise.