



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

NEWS RELEASE

CARBON STREAMING ANNOUNCES FIRST QUARTER 2023 FINANCIAL RESULTS

Diversified Portfolio Grows to 10 Streams and Royalties Covering 21 Projects

First Quarter 2023 Update Call to be Held on Monday, November 14, 2022 at 11:00 a.m. ET

TORONTO, ON, November 10, 2022, Carbon Streaming Corporation (NEO: **NETZ**) (OTCQB: **OFSTF**) (FSE: **M2Q**) (“**Carbon Streaming**” or the “**Company**”) today reported its financial results for the three months ended September 30, 2022. All figures are in United States Dollars, unless otherwise indicated. The Company will host a live audio call at 11:00 a.m. ET on Monday, November 14, 2022.

Carbon Streaming Founder and CEO Justin Cochrane stated: “We continued to execute on our growth strategy in the first quarter, announcing the Nalgonda Rice Farming Stream, the FCG Amazon Portfolio Royalty and the Bonobo Peace Forest Royalty. Our high-quality portfolio now comprises over 20 carbon stream and royalty projects that are diverse in project type and geography.”

Mr. Cochrane added: “We are proud to have published our inaugural Sustainability Report this month. In it we detail our approach to ESG and commitment to climate action and the broader UN Sustainable Development Goals. As we continue to grow our company and scale our impact, our Guiding Principles will be key in driving value for all our stakeholders.”

Company Highlights

First Quarter 2023

- Ended the quarter with \$72.7 million in cash and no corporate debt.
- Recognized net loss of \$2.4 million for the quarter. After adjusting for a \$2.9 million non-cash revaluation related to warrant liabilities, adjusted net loss was \$5.3 million. See “Advisories – Non-IFRS Measures” for a reconciliation of adjusted net income (loss) to its most comparable IFRS measure.

- Paid \$13.3 million and committed to pay \$1.8 million in upfront deposits for new carbon credit streaming and royalty agreements, early deposit interests and other assets during the quarter.
- Closed the Community Carbon streaming agreement and made an initial upfront deposit payment of \$6.5 million. This portfolio of fuel-efficient cookstoves and water filtration devices projects is targeting reduction of approximately 50 million tonnes of CO₂ equivalent (“tCO₂e”) emissions and generation of an equivalent amount of carbon credits over the 15 to 21 year lives of the projects.
- Announced a binding term sheet and royalty agreement with Future Carbon International LLC covering four projects located in the Amazon rainforest (the “**FCG Amazon Portfolio Royalty**”) in Brazil. These projects are expected to generate approximately 68 million carbon credits over the 30-year lives of the projects, from which the Company will receive 5% of revenues.
- Announced an amended and restated term sheet with Bonobo Conservation Initiative (“**BCI**”), advanced an additional \$0.6 million to BCI to advance the Bonobo Peace Forest projects and entered into a royalty agreement with BCI (the “**Bonobo Peace Forest Royalty**”). The Company will receive 5% of revenue from carbon credit sales generated by projects for 30 years starting from the date of the first royalty payment.
- Announced a sustainable rice farming stream with Core CarbonX Solutions Pvt Ltd. (the “**Nalgonda Rice Farming Stream**”) to develop its methane avoidance grouped project in Nalgonda District, Telangana State, India. This project is expected to generate approximately 2.5 million carbon credits over seven years.
- Increased the Company’s equity interest in Carbon Fund Advisors Inc. to 50% for an additional \$1.35 million. Carbon Fund Advisors Inc. is the sub-advisor of the Carbon Strategy ETF (NYSE: KARB), an actively managed thematic exchange traded fund providing investors exposure to compliance carbon markets.
- Joined the United Nations Global Compact initiative, a voluntary leadership platform for organizations to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption, and to take action in support of UN goals and issues embodied in the Sustainable Development Goals.

Subsequent to September 30, 2022

- Announced a carbon credit stream and associated royalty (collectively, the “**Enfield Biochar Stream**”) with Standard Biocarbon Corporation to support the construction of a pilot biochar production facility in Enfield, Maine, USA. This project is expected to remove approximately 90,000 tCO₂e of emissions and generate an equivalent number of CO₂ Removal Certificates (“**CORCs**”) over the 30-year project life. The project is also expected to produce approximately 250,000 cubic yards of biochar over the project life, on which the Company will receive a royalty on volume sold.
- Published the Company’s inaugural [Sustainability Report](#), which describes Carbon Streaming’s business model, approach to climate action and impact investing, due diligence and governance practices, guiding principles as well as the Company’s environmental and social impacts.
- Offset five times the Company’s calendar year 2021 emissions through the retirement of 125 carbon credits from our portfolio.

Strategy and Outlook

Carbon Streaming’s strategy continues to be focused on acquiring additional streams and royalties to diversify and grow its portfolio of projects. In the three months ended September 30, 2022, the Company closed the Community Carbon Stream and announced three new transactions: the FCG Amazon Portfolio Royalty, the Bonobo Peace Forest Royalty and the Nalgonda Rice Farming Stream. The addition of these new stream and royalty agreements furthers the Company’s goal of diversifying its portfolio geographically and by project type. Carbon Streaming plans to partner and support new and existing

carbon projects as the Company continues to build its high-integrity portfolio of carbon credit streams and royalties.

Indonesia Update

In October, Indonesia's Ministry of Environment & Forestry ("**MOEF**") issued Regulation No. 21 of 2022 ("**Reg 21**"), setting out a framework for domestic and international carbon trading in Indonesia. The Company welcomes the progress that this framework represents, and is awaiting further clarity to understand the full implication for the Rimba Raya Stream. As previously disclosed in April 2022, the Indonesian government announced a temporary pause in the validation of carbon credits from projects on the Verra Registry (and other registries) as it sought to finalize its national carbon emission regulations. InfiniteEARTH, the project operator, will continue to work closely with the MOEF and Sistem Registri Nasional Pengendalian Perubahan Iklim ("**SRN**") to review, implement, and comply with new regulations. The Company and InfiniteEARTH view the development of a national carbon policy as an important and positive step for Indonesia, carbon markets, and global climate action.

Change in Year-End

To align the Company's financial reporting period with traditional financial, operational, and taxation cycles, Carbon Streaming will change its year end to December 31, beginning December 31, 2022. As such, the Company will report audited financial statements for a six-month transitional fiscal year from July 1, 2022 to December 31, 2022. For additional information, please see the Notice of Change in Year-End filed on November 10, 2022, which is available on SEDAR at www.sedar.com.

First Quarter 2023 Results Conference Call Details

The Company's management team will host an interactive audio call on Monday, November 14, 2022 at 11:00 a.m. ET to provide a brief company update. Participants may join by dialing +1 416-764-8658 or toll free from North America at +1 888-886-7786. An audio replay of the conference call will be available on the [Company website](#) until 11:59 p.m. ET on November 28, 2022.

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 focused on nature-based solutions, the distribution of fuel-efficient cookstoves and water filtration devices, waste avoidance and energy efficiency, methane avoidance in agriculture and biochar carbon removal.

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

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

investors@carbonstreaming.com

Media

Amy Chambers, Director, Marketing, Communications & Sustainability

media@carbonstreaming.com

Non-IFRS Measures

This news release contains the financial term “adjusted net loss”, which is not considered in the International Financial Reporting Standards (“IFRS”). The Company's determination of this non-IFRS measure may differ from other reporting issuers, and therefore may not be comparable to similar measures presented by other companies where similar terminology is used.

The following table reconciles net and comprehensive income (loss) to adjusted net income (loss):

(US\$ millions)

	Three Months Ended	
	Sep 30, 2022	Sep 30, 2021
Net and comprehensive income (loss)	\$ (2.4)	\$ (43.3)
Adjustment for non-cash settled items:		
Revaluation of warrant liabilities	2.9	(40.5)
Adjusted net income (loss)	\$ (5.3)	\$ (2.8)

This non-IFRS measure should not be considered in isolation or as a substitute for measures of performance or cash flows as prepared in accordance with IFRS. This financial measure is included because management believes that this non-IFRS measure, together with measures prepared in accordance with IFRS, provides useful information to investors and shareholders in assessing the Company's liquidity and overall performance as it removes the impact of non-cash charges. Refer to the "Non-IFRS Measures" section on page 21 of the Company's MD&A for the three months ended September 30, 2022 for further details.

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, timing and the amount of future carbon credit generation and emission reductions and removals from the Company's existing streaming agreements; statements with respect to the projects in which the Company has streaming and royalty agreements in place; statements

with respect to the Company's growth objectives; the impact of Indonesian regulatory developments on the Rimba Raya project and the Rimba Raya Stream; 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.

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.