ANNUAL INFORMATION FORM

FOR THE FINANCIAL YEAR ENDED

December 31, 2023

As of March 27, 2024

NOTE TO READER

Unless otherwise stated, the information contained in this Annual Information Form ("**AIF**") of Carbon Streaming Corporation (the "**Company**" or "**Carbon Streaming**") is presented as at December 31, 2023, being the date of the Company's most recently audited financial period.

In this AIF, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in United States dollars. References to "dollars", "$", "U.S. dollars" or "US$" are to the lawful currency of the United States. References to "C$" are to the lawful currency of Canada.

"Carbon Streaming," "the Company," "we," "us" and "our" or similar terms refer to Carbon Streaming Corporation and its subsidiaries. For a glossary of certain defined terms and abbreviations used herein, see "Glossary of Certain Terms".

Advisories

Reference made in this AIF to other documents or information or documents available on a website does not constitute the incorporation by reference into this AIF of such other documents or such other information or documents available on such website.

This AIF contains forward-looking statements based on the Company's current expectations, assumptions and beliefs. Such information involves a number of known and unknown risks and uncertainties, including those discussed in this document in the "Risk Factors" section, and other factors that may cause the actual results, performance or achievements of the Company or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. See "*Additional Information - Forward-Looking Information*".

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated under the BCBCA on September 13, 2004. Effective June 15, 2020, the Company's name was changed to "*Carbon Streaming Corporation*".

The registered office of the Company is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, British Columbia V6C 2X8. The principal office of the Company is located at Suite 206, 2321 Fairview Street, Burlington, Ontario, Canada L7R 2E3.

The Company's Common Shares are listed on Cboe Canada (formerly the NEO Exchange) under the symbol "NETZ", the March 2026 Warrants are listed on Cboe Canada under the symbol "NETZ.WT" and the September 2026 Warrants are listed on Cboe Canada under the symbol "NETZ.WT.B". The Company's Common Shares are also listed on the Frankfurt Stock Exchange under the symbol "M2Q" and trade on the OTC Markets under the symbol "OFSTF".

Intercorporate Relationships

The Company has a subsidiary, 1253661 B.C. Ltd., a wholly owned corporation incorporated under the laws of British Columbia, and a 50% equity interest in Carbon Fund Advisors, a private company incorporated under the laws of the State of Delaware. See *"Description of the Business – Other Agreements & Investments"*.

The Company may incorporate one or more subsidiary companies to facilitate its activities as required.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

The Company has undertaken the following corporate activities:

Recent Developments

- On February 9, 2024, the Company announced that it had entered into the Baccala Ranch Reforestation Stream, the third stream under the Pipeline Agreement with Mast. See *"Description of the Business – Overview of the Company's Carbon Credit Projects".*
- On January 4, 2024, the Company announced that it had reduced the size of the Board from eight (8) to five (5) directors. In connection with the decrease in size of the Board, R. Marc Bustin, Saurabh Handa, and Andy Tester voluntarily resigned from the Board on January 3, 2024.

Year Ended December 31, 2023

- On November 15, 2023, the Company announced that the Board had initiated the next phase of the Restructuring, a strategic alternatives review process, with the continued goal of ensuring the Company's competitiveness and long-term sustainability. The Board also announced that it had established a special committee of non-executive, independent Directors to assist with oversight of the strategic alternatives review process. See *"Description of the Business – Reorganizations".*
- On September 25, 2023, the Company announced that it had entered into the Feather River Reforestation Stream, the second stream under the Pipeline Agreement with Mast. See *"Description of the Business – Overview of the Company's Carbon Credit Projects".*
- On September 20, 2023, the Company announced that it that had entered into an agreement with Microsoft Corporation to provide it with carbon removal credits to be received from the Waverly Biochar Stream.
- On September 5, 2023, the Company announced an update to its ongoing Restructuring, focused on cash flow optimization, including reducing operating expenses and a review of existing streams and royalties. See *"Description of the Business – Reorganizations".*
- On June 20, 2023, it was announced that Justin Cochrane would assume the role of President & Chief Executive Officer, following the resignation of Michael Psihogios. Mr. Psihogios had previously been appointed as President & Chief Executive Officer on May 31, 2023. In connection with the May 31, 2023 personnel changes, Mr. Geoff Smith, President & Chief Operating Officer also departed the Company.
- On May 10, 2023, the Company announced it had entered into the Pipeline Agreement with Mast to develop a pipeline of post-wildfire reforestation projects in the Western United States that would generate carbon removal credits. The first project to be funded under the Pipeline

Agreement with Mast was the Sheep Creek Reforestation Project. See *"Description of the Business – Overview of the Company's Carbon Credit Projects".*

Six Months Ended December 31, 2022

- On December 28, 2022, the Company announced that the Rimba Raya project operator InfiniteEARTH had issued a press release announcing that the Rimba Raya project had been validated under the new Indonesian carbon regulation, Regulation No. 21 of 2022 ("**Reg 21**") and with the carbon registry, Sistem Registri Nasional Pengendalian Perubahan Iklim ("**SRN**"). Under Reg 21, all carbon projects in Indonesia must be registered, validated and verified on the SRN carbon registry. See "*Description of the Business – Overview of the Company's Carbon Credit Projects*".

- On November 10, 2022, the Company changed its financial year-end to December 31 (from June 30) to align the Company's financial reporting period with traditional financial, operational, and taxation cycles.

- On November 3, 2022, the Company announced that it had entered into the Enfield Biochar Stream and Royalty with Standard Biocarbon. See *"Description of the Business – Overview of the Company's Carbon Credit Projects".*

- On September 30, 2022, the Company announced that it had entered into the Nalgonda Rice Farming Stream with Core CarbonX. See *"Description of the Business – Overview of the Company's Carbon Credit Projects".*

- On September 12, 2022, the Company announced that it had entered into a term sheet and royalty agreement with Future Carbon. See *"Description of the Business – Overview of the Company's Carbon Credit Projects".*

- On August 12, 2022, the Company announced that it changed its auditor to Deloitte LLP from Baker Tilly WM LLP, effective August 11, 2022.

- On July 12, 2022, the Company entered into an exclusive term sheet with Citadelle. See *"Description of the Business – Overview of the Company's Carbon Credit Projects"*.

- On July 6, 2022, the Company increased its equity investment in Carbon Fund Advisors, the fund sponsor of the Carbon Strategy ETF (NYSE: KARB). See *"Description of the Business – Other Agreements & Investments"*.

Year Ended June 30, 2022

- On June 21, 2022, the Company announced that it had entered into the Sustainable Community Stream with Will Solutions. See *"Description of the Business – Overview of the Company's Carbon Credit Projects"*.

- On May 31, 2022, the Company announced its collaboration with IG Wealth Management, whereby IG Wealth Management purchases and retires carbon credits from the Company's streams to compensate for the IG Climate Action Portfolios estimated emissions.

- On May 17, 2022, the Company announced that it had entered into the Community Carbon Stream, which subsequently closed on August 15, 2022. See *"Description of the Business – Overview of the Company's Carbon Credit Projects"*.

- On May 12, 2022, the Company announced that it had entered into the Waverly Biochar Stream with Waverly RB. See *"Description of the Business – Overview of the Company's Carbon Credit Projects"*.

- On February 23, 2022, the Company announced the filing of a registration statement on Form 40-F with the United States Securities and Exchange Commission ("**SEC**") to advance a potential U.S. listing of the Common Shares and Warrants on The Nasdaq Stock Market LLC. The listing was subject to approval and satisfaction of all applicable listing requirements, including effectiveness of the Form 40-F by the SEC. The Form 40-F has not been declared effective by the SEC and the listing on a U.S. exchange has been put on hold, subject to the Company's ability to meet applicable listing requirements.

- On January 10, 2022, Alice Schroeder was appointed to the Board.

- On November 22, 2021, the Common Shares commenced trading on the OTCQB Market in the United States under the symbol "OFSTF".

- On November 20, 2021, the automatic conversion of the Special Warrants into underlying Common Shares and the September 2026 Warrants occurred, with the September 2026 Warrants commencing trading on Cboe Canada under the symbol "NETZ.WT.B" on November 24, 2021. See *"Description of Capital Structure – Warrants"*.

- On November 18, 2021, the Company announced that it had closed the previously announced Magdalena Bay Blue Carbon Stream with Fundación MarVivo Mexico, A.C. and MarVivo Corporation. See *"Description of the Business – Overview of the Company's Carbon Credit Projects"*.

- On November 12, 2021, Candace MacGibbon was elected to the Board at the Company's annual general and special meeting of Shareholders.

- On October 22, 2021, the Company completed a share consolidation (reverse stock split), whereby every 5 pre-Consolidation Common Shares were consolidated into one post-Consolidation Common Share, with post-Consolidation trading commencing on October 25, 2021.

- On October 5, 2021, the Company announced that Geoff Smith was appointed as President and Chief Operating Officer of the Company.

- On September 13, 2021, the Company announced that it had entered into the Cerrado Biome Stream with ERA. See *"Description of the Business – Overview of the Company's Carbon Credit Projects"*.

- On August 25, 2021, the Company filed a preliminary non-offering prospectus to qualify distribution and trading of the Special Warrants, which was subsequently withdrawn on November 22, 2021.

- On August 3, 2021, the Company announced that it had signed the Rimba Raya Stream and SAA with InfiniteEARTH and its founders, which subsequently closed on August 5, 2021. See *"Description of the Business – Overview of the Company's Carbon Credit Projects" and "Description of the Business – Other Agreements & Investments"*.

- On July 30, 2021, the Company announced that its Common Shares had commenced trading on the Frankfurt Stock Exchange under the symbol "M2Q".
- On July 27, 2021, the Common Shares and the March 2026 Warrants commenced trading on Cboe Canada under the symbols "NETZ" and "NETZ.WT", respectively.
- On July 19, 2021, the Company completed the Special Warrant private placement for aggregate gross proceeds of $104.9 million through the sale of 104,901,256 Special Warrants at a price of $1.00 per Special Warrant (pre-Consolidation). See "*Description of Capital Structure –Warrants*".

Year Ended June 30, 2021

- On June 29, 2021, Justin Cochrane was re-appointed to the Board as part of the Company's annual general and special meeting of Shareholders.
- On June 9, 2021, the Company announced the appointment of Michael Psihogios as Chief Investment Officer and Anne Walters as General Counsel and Corporate Secretary.
- On June 7, 2021, the Company announced that it had entered into a strategic partnership with WZ. See *"Description of the Business – Other Agreements & Investments"*.
- On June 3, 2021, the Company announced that it had entered into an exclusive term sheet with BCI. See *"Description of the Business – Overview of the Company's Carbon Credit Projects"*.
- On May 12, 2021, the Company completed a private placement for aggregate proceeds of C$11,611,000 through the sale of 11,611,000 pre-Consolidation Common Shares at a price of C$1.00 per pre-Consolidation Common Share.
- On March 31, 2021, each of R. Marc Bustin, Saurabh Handa and Jeanne Usonis were appointed to the Board and Justin Cochrane resigned from the Board.
- On March 11, 2021, the Company completed a private placement for aggregate proceeds of C$32,474,451 through the sale of 43,299,268 pre-Consolidation units at C$0.75 per unit (with each unit consisting of one Common Share and one March 2026 Warrant (pre-Consolidation)).
- On January 27, 2021, the Company appointed Justin Cochrane as President and CEO of the Company, and Conor Kearns as the Company's Chief Financial Officer. Each of Justin Cochrane, Maurice Swan and Andy Tester were appointed to the Board, and each of Colin Watt, Edgar Froese and Ming Jang resigned from the Board on the same date.
- On January 27, 2021, the Company completed a private placement for aggregate proceeds of C$3.7 million through the sale of 14,670,000 pre-Consolidation units at C$0.25 per unit, with each unit consisting of one Common Share and one Warrant exercisable at C$0.75 per pre-Consolidation Common Share until January 27, 2026.
- On December 22, 2020, the Company raised C$172,500 through the sale of 3,450,000 pre-Consolidation units at C$0.05 per unit, with each unit consisting of one Common Share and one Warrant exercisable at C$0.125 per pre-Consolidation Common Share until December 22, 2025.
- On December 16, 2020, the Company raised C$70,000 through the sale of 1,400,000 pre-Consolidation units at C$0.05 per unit, with each unit consisting of one Common Share and one Warrant exercisable at C$0.125 per pre-Consolidation Common Share until December 16, 2025.

DESCRIPTION OF THE BUSINESS

Overview

Carbon Streaming is a carbon credit streaming and royalty company focused on creating shareholder value primarily through the acquisition and sale of carbon credits. We provide capital to carbon projects globally, primarily by entering into or acquiring streaming, royalty or royalty-like arrangements for the purchase of carbon credits from the underlying project and then generate cash flow from the sale of these carbon credits. Through the use of these financing arrangements, our strategic interests are aligned with our project partners, so we are able to source high integrity projects that advance global climate action and additional United Nations Sustainable Development Goals ("**UN SDGs"**). This helps position us as a trusted source for buyers seeking high quality carbon credits. Our aim is to accelerate a net-zero future by making an impact with our capital and facilitating immediate climate action.

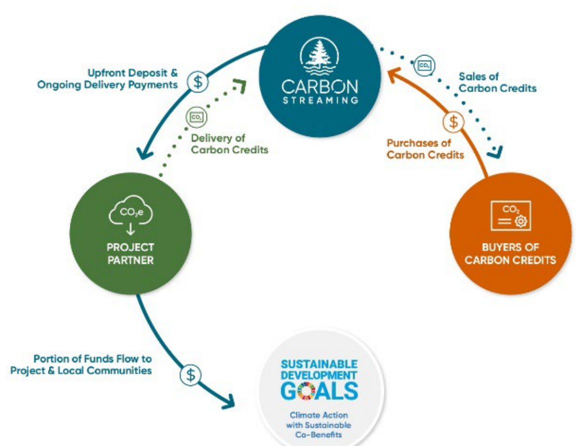
The Company currently has carbon credit streams and royalties related to over 20 projects around the world, including high-integrity removal and avoidance projects from nature-based, agricultural, engineered and community-based methodologies. See "*– Carbon Credit Streaming and Royalty Agreements*" for details of the Company's streams / royalties on each project. The Company focuses on projects that have a positive impact on the environment, local communities, and biodiversity ("**Co-Benefits**"), in addition to their carbon reduction or removal potential. See "*– Overview of Carbon Credit Markets – Co-Benefits Accreditation"*.

The Company executes on its strategy by:

(i) entering into or acquiring streaming, royalty or royalty-like arrangements with project developers/operators, non-governmental organizations (NGOs), non-profit organizations, companies, individuals or governments (generally referred to as a project partner) to purchase carbon credits generated by their project(s) or asset(s);

(ii) acquiring or investing, in the form of equity, debt or other forms of investment, in carbon credits or entities, assets or properties involved in the origination, generation, monitoring, or management of carbon credits or related businesses; and

(iii) marketing and selling carbon credits to maximize value for all of our stakeholders and deliver long-term cash flow to project partners, the projects and local communities.



The term "**carbon credits**" as used in this AIF collectively refers to carbon offsets, carbon allowances, renewable energy certificates and clean / low carbon fuel standard credits. Typically, a carbon credit is a certified and transferable instrument that represents one tonne of carbon dioxide ("**tCO_2**") or the carbon dioxide equivalent ("**tCO_2e**") of other greenhouse gasses ("**GHGs**") (with other GHGs converted into CO_2 based on the amount of heat the gas traps in the atmosphere over time relative to CO_2) that is prevented from entering the atmosphere or sequestered or removed from the atmosphere and includes any associated Co-Benefits.

Carbon credits are typically generated from projects, which fall into two broad categories: (i) Avoidance / Reduction (activities that avoid or reduce GHG emissions); and (ii) Removal / Sequestration (activities that remove or sequester GHG emissions). Both of these categories may involve technology-based solutions or nature-based solutions, such as agriculture, forestry and other land-use ("**AFOLU**") projects, which in turn may involve one or more of the following ecosystems: marine, coastal and wetlands, including mangroves; terrestrial forests; grasslands and shrublands. For common project types, see *"– Overview of Carbon Credit Markets – Projects Generating Carbon Credits"*.

Carbon credits are seen as a complementary tool to be used alongside broader decarbonization efforts of corporations, organizations and individuals as they pursue their net-zero goals or other emission-reduction targets. Carbon credits can compensate for unabated emissions while a company prioritizes a science-based emissions mitigation strategy and neutralize residual emissions in order to reach net zero.

Our Approach to Climate Action

The Company seeks to provide alternative financing, particularly in the form of streams and royalties, to projects that generate or are expected to generate carbon credits for sale in the voluntary and/or compliance markets. At the present time, all carbon credits expected to be generated from projects in which the Company has a stream or royalty are expected to be sold into the voluntary market (and not the compliance market).

Structure

A carbon credit stream is a flexible, customizable financing alternative, allowing project partners, and/or aggregators of projects to advance the transition to a net-zero future. In a streaming agreement, the purchaser makes an upfront deposit in return for the right to purchase all, a fixed percentage of, or a specified amount of the subject of the stream (e.g., ounces of gold, etc.) at a pre-agreed price or formula with respect to a reference price for the term of the agreement, which is typically for a long term. Similar financing structures, including streams and royalties, have been used extensively in the music, publishing, pharmaceutical, franchising, and precious and base metals sectors to provide an alternative to traditional sources of capital. Stream and royalty agreements are established through a contract between purchaser and seller (project partner) which is typically a property or asset owner. Streams are not typically working interests in a property or an asset and, therefore, the purchaser is not responsible for contributing additional funds for operating costs, capital costs or any other purpose.

Carbon Streaming is at the forefront of bringing the streaming structure to climate finance. A carbon credit stream is a contractual agreement whereby Carbon Streaming, as the stream purchaser, makes an upfront deposit (in the form of cash, shares or other consideration) to a project partner, in return for the right to purchase all or a portion of the future carbon credits (including the emission reductions/removals and associated Co-Benefits) generated by a project or an asset over the term of the agreement. The project partner may use the upfront deposit to fund the development, expansion or operation of a project or for general corporate purposes. Carbon Streaming then receives the carbon credits from the project partner and typically pays an ongoing delivery payment, or purchase price per-carbon credit, to the project partner when the carbon credits are sold. Under the streaming model, the Company has no obligations of any kind to provide additional funding to the project partner or the project.

Proven Partnership Model

A streaming agreement provides the Company with a supply of carbon credits and potential price appreciation upside without taking on the operating responsibility and risk of managing a carbon credit project. Benefits of streams to the project partner include receipt of an upfront deposit paid in full at the outset of the stream or on an installments basis as specified negotiated milestones are achieved and income from the ongoing delivery payments from the sale of credits over the project life. In addition, Carbon Streaming assumes responsibility for the sales and marketing of the carbon credits delivered to it under the stream, thereby providing the project partner with a sales channel to monetize the credits from the project.

Making a Sustainable Impact

The Company seeks to augment the sustainable impact of our deployment of capital. Due to the nature of our business, the projects in which the Company has streaming and royalty agreements are focused on the mitigation of GHG emissions; however, while every carbon credit represents one less tonne of GHGs in the atmosphere, not every carbon credit is equal in its broader contribution to a sustainable future. The Company's aim is to accelerate a net-zero future by financing the creation and expansion of high-integrity carbon credit projects and the innovation of new technologies needed to reduce and remove GHG emissions, with a particular focus on projects with Co-Benefits. The Company has an impact investing policy which guides our decision-making process for identifying carbon credit projects to consider for streaming or royalty transactions. In adherence to the policy, Carbon Streaming believes that carbon credits with Co-Benefit accreditation, or that otherwise offer impactful Co-Benefits such as protecting endangered species, providing tangible benefits to local communities or biodiversity or advancing other UN SDGs, will command premium prices compared to otherwise similar carbon credits without Co-Benefit accreditation or impactful Co-Benefit initiatives. See *"– Other Information Relating to the Company's Business – Sustainability"*.

Our Approach to Marketing and Sales

The Company's streaming arrangements with its project partners allow Carbon Streaming to offer carbon credit buyers a diversified portfolio of high-quality carbon credits with confidence of future supply. Sales of carbon credits are and will be generated through multiple distribution channels in the voluntary market. The Company anticipates that the majority of its sales will be to end-users (such as corporate purchasers who would retire (or use) the credits) or intermediaries, such as voluntary carbon market specialist organizations which transact on behalf of end-user organizations or trade carbon credits. The Company may also have credits listed on various exchanges such as Xpansiv's CBL exchange ("**CBL**") or Climate Impact X's CIX Exchange ("**CIX**"), and other sales channels where the Company retires carbon credits on behalf of purchasers following receipt of payment. See "–– *Carbon Credit Sales*".

Carbon Credit Streaming and Royalty Agreements

A summary of the key terms of the Company's streams and royalties as at December 31, 2023 are set forth below. See *"– Overview of the Company's Carbon Credit Projects"* for a full description of the Company's streaming or royalty agreement for each project.

Stream / Royalty Partner	Project Information					Stream/ Royalty Information				
	Location	Activity Type	Registry / Credit Type	Expected Credit Issuance Over Project Life [1]	Project Start Year[2]	Total Upfront Deposit [3]	Stream Funding Status (Upfront Deposit amount paid) (%)	Expected Initial Crediting Period of Stream or Royalty [4]	Expected Year of First Credit Delivery to the Company [5]	Stream / Royalty Status [6]
Streams										
Rimba Raya InfiniteEARTH Limited and PT Infinite Earth Nusantara	Central Kalimantan, Borneo, Indonesia	Avoidance / Reduction REDD+ (AFOLU)	SRN (SPE – GRK)	174 million	2009	$26.3 million[7]	100%	50 years[8]	_[9]	Development[9]
Magdalena Bay Blue Carbon Fundación MarVivo Mexico, MarVivo Corporation	Magdalena Bay, Baja California Sur, México	Avoidance / Reduction To be developed as REDD+ (AFOLU / Blue Carbon)	Verra (VCU) (Planned)	25 million	2020	$7.8 million	30.7%	30 years	2025	Development
Cerrado Biome ERA Cerrado Assessoria e Proyectos Ambientais Ltd.	Cerrado, Brazil	Avoidance / Reduction REDD+ (AFOLU / ACoGS)	Verra (VCU)	13 million	2017	$0.5 million	74.4%	30 years	2023	Delivering
Waverly Biochar Waverly RB SPE LLC[10]	Virginia, United States	Removal / Sequestration Biochar	Puro.earth (CORC)	0.262 million	2023	$2.95 million	68.1%	25 years	2024	Development
Sustainable Community (2 Projects) Will Solutions Inc.	Quebec, Canada Ontario, Canada	Avoidance / Reduction Energy Efficiency / Waste Diversion / Transport	Verra (VCU)	100 million	2010	$20 million	20%	10 years[11]	2024	Pre-Delivery
Community Carbon (7 Projects) Community Carbon and UpEnergy Group	Uganda Mozambique Tanzania Zambia Malawi	Avoidance / Reduction Cookstove / Water purification[12]	Gold Standard (VER) / Verra (VCU)[13]	50 million	2020	$20 million	55.9%	15 years	2023	Delivering
Nalgonda Rice Farming Core CarbonX Pte. Ltd. and Core CarbonX Solutions Private Limited	Telangana State, India	Avoidance / Reduction Agriculture Land Management (AFOLU)	Verra (VCU)	2.7 million	2022	$2.44 million	63.5%[14]	7 years	_[15]	Development
Enfield Biochar Standard Biocarbon[10]	Maine, United States	Removal / Sequestration Biochar	Puro.earth (CORC)	0.9 million	2023	$1.3 million	76.9%	30 years	2024	Development
Sheep Creek Reforestation Mast Reforestation SPV I, LLC	Montana, United States	Removal / Sequestration Reforestation	CAR (FMUs)	0.225 million	2022	$3.78 million	36.5%	2 years	2025[16]	Development
Feather River Reforestation Mast Reforestation SPV I, LLC	California, United States	Removal / Sequestration Reforestation	CAR (FMUs)	0.05 million	2022	$0.7 million	36.5%	1 year	2025[16]	Development
Royalties										
Bonobo Peace Forest (2 Projects) Bonobo Conservation Initiative	The Democratic Republic of Congo	Avoidance / Reduction REDD+ (AFOLU)	Verra (VCU)	N/A	N/A	$2.3 million	100%	30 years	N/A	Development
Amazon Portfolio (4 Projects) Future Carbon International LLC	Brazil	Avoidance / Reduction REDD (AFOLU)	Verra (VCU)	N/A	N/A	$3.0 million	100%	30 years	N/A	Pre-Delivery

Notes:

(1) Expected Credit Issuance Over Project Life refers to the number of expected carbon credits to be issued as specified in the Project Documents. The share of carbon credits from each project to be delivered to the Company under each streaming / royalty agreement varies based on the specific contractual terms. See " - *Overview of the Company's Carbon Credit Projects*". The Company receives royalty payments and not carbon credits under its royalty agreements.

(2) Project Start Year refers to the year in which project activities that generate emission reductions or removals begin or are expected to begin. In most cases, the Project Start Year occurs before the year in which credits are first delivered to the Company. For details regarding the Company's current expectations on timing of receipt of carbon credits see "– *Overview of the Company's Carbon Credit Projects*".

(3) Total upfront deposit amounts assume all milestones will be realized and all installments paid in full. Management's assumptions and actual payments made under any streaming / royalty agreement may differ, as payments are subject to conditions which may or may not be met.

(4) The term of a streaming / royalty agreement commences on the effective date of the agreement. The initial crediting period of the stream / royalty typically commences upon delivery of first credits to the Company and can be extended should the project(s) continue to issue carbon credits beyond the current or expected crediting period of the project. See " - *Overview of the Company's Carbon Credit Projects*".

(5) The Expected Year of First Credit Delivery to the Company refers to the year in which the Company expects to receive its first delivery of carbon credits under the terms of each carbon credit streaming agreement. See " - *Overview of the Company's Carbon Credit Projects*".

(6) The Company classifies its streams and royalties in five categories with reference to the stage of each project ranging from development of projects to delivery of carbon credits to the Company. See " - *Project Streaming Agreement Classification Criteria*".

(7) Only includes cash amounts paid under the Rimba Raya Stream. Excludes the dollar value of share consideration granted under the SAA.

(8) Under the SRN registry, the Rimba Raya project is expected to have a project lifetime until 2073.

(9) Given the ongoing verification of the Rimba Raya project under the new SRN system and pending regulatory developments, the expected year of first credit delivery under the SRN system remains unknown at this time. As a result, the Rimba Raya Stream status has been classified as "Development".

(10) The Company will also receive a revenue royalty based on the value of Biochar sold by the project partner. See " - *Overview of Carbon Credit Projects – Projects*".

(11) The Company has the option to extend the stream for additional consideration of $0.45 per VCU delivered adjusted for inflation based on the Canadian Consumer Price Index.

(12) Three of the underlying projects are cookstove projects and four of the underlying projects are water purification projects.

(13) One of the cookstove projects is registered under Verra. The remaining six projects are registered under Gold Standard.

(14) 80% as of as of the date of this AIF. See " – *Overview of the Company's Carbon Credit Projects*".

(15) First issuance of carbon credits is currently expected in 2024 but may be delayed due to Verra's review of the current project methodology. See " - *Overview of the Company's Carbon Credit Projects*".

(16) The methodology applied under CAR's Climate Forward program is specifically intended for forward financing. FMUs for each project or project area are issued in one tranche following 'confirmation', which occurs approximately one year after planting to ensure seedling survival beyond the highest mortality period. FMUs can be retired to mitigate future anticipated emissions and may also be converted to standard Climate Action Reserve tonnes with ex-post monitoring and verification.

Project Streaming Agreement Classification Criteria

Management has developed five distinct categories corresponding to the status of each of its stream / royalty agreements for additional context to better evaluate the Company's portfolio. In classifying each of its streams / royalties, management considers, among other things, the following criteria: (i) whether the project is actively delivering carbon credits to the Company under the stream; (ii) the significance of any outstanding milestones, regulatory or otherwise, that need to be met prior to carbon credits being delivered to the Company under the stream; (iii) the status of the underlying project under its applicable Standard Body (for example, for the projects under Verra (VCS), whether the project is under development or fully registered); and (iv) management's internal projections and judgement regarding project viability, proximity to completion, and overall risk profile of delivery. The classification for each stream / royalty within these categories is a matter of professional judgment and each classification for each stream / royalty is revisited at the end of each reporting period.

Delivering

For a stream / royalty to be categorized as "Delivering", the Company has received carbon credits under the stream (or royalty payments under the royalty) and must remain actively receiving such credits/ payments through the customary cycle of the agreement. This also means that the underlying project(s) has been fully registered by the applicable Standard and has produced carbon credits and delivered them to the Company under the terms of the agreement. As a result, a stream / royalty categorized as "Delivering" is expected to generate revenue and operating cash flow to the Company in the near-term.

Pre-Delivery

This category is intended to identify the streams / royalties that have not yet delivered any carbon credits (or royalty payments) to the Company, but for which all development activities for the underlying project are substantially complete and the third-party audit has been scheduled or the third-party audit is in progress or is complete. In most cases, management views the delivery of carbon credits for streams (or royalty payments for royalties) categorized as "Pre-Delivery" to be probable given the progress of the underlying project and is only further subject to Standard Body timelines to realize carbon credit issuance. Management views first delivery of carbon credits to be probable within the next 12 months as of the reporting date. *See "– Overview of Carbon Credit Markets – Credit Verification by Standard Bodies – Project Validation and Monitoring, Reporting and Verification for Credit Issuance".*

Development

This category is intended for streams / royalties that have not yet delivered any carbon credits (or royalty payments) to the Company and are at an earlier stage of project development than the projects in the "Pre-Delivery" category. A stream / royalty on a project that has not yet completed the milestones listed in the above category will be classified as "Development". The ability for these streams / royalties to ultimately deliver carbon credits or royalty payments is contingent on project execution, regulatory approval and completion of the initial third-party audit in accordance with the Standard Body, resulting in a higher risk asset.

Suspended

This category is intended for streams / royalties that were previously in other categories but are no longer delivering or expected to deliver carbon credits (or royalty payments) to the Company due to the underlying project being no longer validated, having been deregistered or otherwise based on management's assessment. Under a "Suspended" classification, the project is still expected to restart its delivery of credits (or royalty payments).

Expired

This category is intended for streams / royalties that were previously in the "Delivering" category, but the term of the stream or royalty has expired, the agreement has been terminated or the Company believes, that no further credits will be delivered under the stream or payments made under the royalty. The fair value of streams / royalties in this category is nil.

Streaming Agreement Terms

Upfront Deposit

Under the Company's streaming agreements, the Company pays an initial upfront deposit to the project partner in return for the right to purchase all or a portion of the future carbon credits generated by the project over the term of the stream. The upfront deposit can be paid in full at closing or on an installments basis as specified negotiated milestones are reached by the project and/or achieved by the project partner. The proceeds of the upfront deposit are generally used by the project partner for project expansion, project development or other agreed purposes based on the nature of the project. For projects in the Development phase, the upfront deposit is typically used to fund project activities (including expanding or enhancing programs that provide Co-Benefits) or for general corporate purposes. For projects in the Delivering, Pre-Delivery or Development phase, the upfront deposit is typically used to fund the project, which can include developing, implementing and operating the project in accordance with the project plan, good industry practices and applicable law and facilitating the registration and validation of the project and the verification, certification, serialization and issuance of carbon credits.

Ongoing Delivery Payments

As the project partners deliver carbon credits to the Company, the Company pays the project partner the ongoing delivery payments for the carbon credits delivered to it. The ongoing delivery payment amount is generally calculated based on the net revenue received from the sale of each carbon credit delivered under the stream. For the Company's current streaming agreements, the ongoing delivery payment paid to the project partner typically comprises the majority of the net revenue received from the sale of the carbon credits, with the Company retaining on average 15% to 25% of net revenue. These percentages are subject to fluctuation based on the price obtained from the sale of the carbon credits and the specific terms of the streaming agreement.

The project partner's ongoing delivery payment is negotiated and set out under the streaming agreement and is typically determined by the size of the upfront deposit, the percentage of the carbon credits covered under the stream, the amount of carbon credits expected to be generated by the project, the remaining crediting period of the project and the expected sales price of the carbon credits. The ongoing delivery payments are typically paid to the project partner on a quarterly basis following the Company's sale and receipt of payment from a third-party buyer of the carbon credits. In addition, typically a portion of the purchase price flows back to the project and the local communities.

Ongoing Credit Issuances

An independent auditor must verify a project's emission reductions or removals at regular intervals in order for carbon credits to be issued. All of the Company's streaming agreements have a requirement for project partners to conduct this process on at least an annual basis and to deliver such verification report(s) to the Company. Key verification documentation and records of credit issuances on a Registry are also generally publicly available on the website of the applicable Standard Body and may also be available on the project partner's or project's website. See *"– Overview of Carbon Credit Markets – Credit Verification by Standard Bodies"*.

The carbon credits to be delivered by the project partner to the Company pursuant to the stream are required to be verified and conform in all respects with a Standard, and its corresponding Registry requirements, and the Company has no obligation to purchase any carbon credits that do not meet such standards or specifications. Each streaming agreement provides that the Company is not responsible for any operating costs, liabilities, penalties, insurance, deductions, set-offs, taxes, transportation, settlement, financing, expenses, buffer or other charges pertaining to or in respect of the project or the generation of the carbon credits purchased by it thereunder.

Term

When structuring streaming arrangements, the Company generally seeks to align the term of a potential stream with the remaining crediting period of the project. Each Standard has specified crediting periods for projects (e.g., how many years a given project may generate carbon credits under the applicable Standard and applicable methodology). For example, AFOLU projects under the Verified Carbon Standard ("**VCS**"), the largest global voluntary carbon credit standard, which is administered by Verra, must remain in operation for a minimum of 20 years and may extend this to a maximum of 100 years. In contrast, the credit generation profile for the Community Carbon Stream, which involves the distribution of fuel-efficient cookstoves or water purification devices, is expected to be 15 or 21 years which reflects the credit generation life cycle of the specific project under the various Standards. For streams that have the term set as the crediting period of the project, the Company also typically has the right to extend the term of its stream if the project continues to generate credits after the initial crediting period.

Other Terms

Each streaming agreement includes a set of covenants and obligations of the project partner to operate the project in accordance with industry practices and in compliance with the applicable Standards, keep the project and the material contracts/permits in good standing and provide ongoing reporting to the Company on project activities. The Company receives quarterly updates from project partners regarding project activities, which include the activities it undertakes to maintain the project and contribute to the Co-Benefits identified. In addition, under the terms of each streaming agreement, Carbon Streaming receives updates from its project partner at least annually, including all verification and financial reports.

In addition, the streaming agreement generally contains restrictions on the transfer or assignment of the stream, provisions in respect of events of default and indemnification matters, and other representations, warranties and covenants for a transaction of such nature. In order to secure performance under the streaming agreement, the Company typically negotiates the right to take security in respect of its project partners. This security can include, among other things, the grant of a general security interest by the project partner over all or a portion of assets or the carbon credit rights of the project partner, pledges of securities of holding or operating entities of the project partner, and/or corporate guarantees of performance by the project partners or their shareholders. The actual security granted in favour of the Company (if any) in respect of a specific transaction is subject to negotiation with each project partner, as well as consideration of jurisdiction-specific legal issues, as applicable. See also *"Risk Factors — Project Risk — Enforceability and Effectiveness of Secured Interest"*.

Carbon Credit Sales

Sales Strategy

For the carbon credits delivered under its streaming agreements, the Company assumes responsibility for the sales and marketing of such credits. The Company's current plan for selling its carbon credits includes the following principles and objectives: sell a portion of the portfolio on a forward basis and a portion of the portfolio on a spot basis; collaborate with project partners to balance their operating cash flow requirements for the project and market opportunities; and conduct sales across multiple sales channels, with a focus on end-users demanding material carbon credit volumes, voluntary carbon market specialists and exchanges such as CBL or CIX. The organizations to be targeted for sales will be influenced by a variety of factors from time to time, including without limitation price, volume, length of support, project cash flow requirements, philosophical alignment, and capability to add value to projects. The Company regularly receives inbound sales inquiries from arm's length third parties that are interested in the purchase of carbon credits, and the Company also engages in targeted sales outreach and informational sessions to help raise awareness of and interest in the various projects in which the Company has carbon credit streaming agreements (and carbon credits to be generated therefrom in the future).

The Company's general goal is to sell all inventory of carbon credits for a particular project within approximately 12 months of the project receiving credit issuance, but the timing of sales will be subject to feedback from project partners and market demand for credits. The Company anticipates that the majority of its sales will be to end-users (such as corporate purchasers who would retire (or use) the credits) or intermediaries, such as voluntary carbon market specialist organizations which transact on behalf of end-user organizations or trade carbon credits. The Company may also have credits listed on various exchanges such as CBL or CIX.

Pricing

Several factors influence the price paid for a particular voluntary carbon credit including: project activity type (such as forestry, renewable energy, waste disposal, carbon capture, etc.); project location; Vintage; the Standards; and the associated Co-Benefits (such as job creation, water conservation or preservation of biodiversity). Pricing in the future will also be impacted by project ratings that come from ratings agencies such as BeZero and Sylvera, as well as additional certification labels such as the Integrity Council for the Voluntary Carbon Market's Core Carbon Principles ("**CCPs**") or the Climate, Community & Biodiversity Standards ("**CCB Standards**"). The CBL Global Emissions Offset benchmark, CBL Nature-Based Global Emissions Offset benchmark, the OPIS Global Carbon Offsets Report and other pricing benchmarks provide third party, market-based data reflecting the prices for voluntary carbon credits that fall within the applicable benchmark's specifications (such as Standards, project types and Vintages). However, the majority of voluntary carbon credit volumes have historically been transacted on a bespoke and "over-the-counter" basis between buyers and sellers pursuant to bilateral agreements, and therefore are not always reflected in the benchmarking data.

The price of voluntary carbon credits is largely driven by the levels of supply and demand in the markets at any particular time, with the majority of volumes to date being transacted over-the-counter between buyer and seller. These over-the-counter sales are either conducted directly with the 'end-user' of the carbon credit (i.e., the entity that will use the carbon credit) or through intermediaries. End-users may be large organizations, small and medium enterprises ("**SMEs**") and/or individuals who purchase and retire credits, typically using them to compensate for emissions as they pursue their mitigation strategy or to advance or achieve climate action or sustainability goals. Intermediaries include brokers, corporate trading desks, voluntary market specialists and sustainability consultancies who link sellers and buyers of carbon credits.

As the voluntary carbon market continues to mature, other sales channels are emerging. The most prominent of these are carbon credit exchanges, which provide a digital marketplace for the trading of carbon credits and aim to increase liquidity in the market and reduce transaction costs. Retail sales channels whereby individuals or organizations can purchase carbon credits directly or have carbon credits retired on the purchaser's behalf are also emerging within the industry.

Risk Mitigation

Carbon credit prices fluctuate continually and are affected by many factors. See "*Risk Factors – Fluctuating price of carbon credits*". The Company has a sophisticated sales team that seeks to optimize sales and manage risk by using a combination of spot and forward contract structures across a variety of sales channels. For example, the Company collaborates with IG Wealth Management to compensate for estimated emissions of the IG Climate Action Portfolios by the purchase and retirement of carbon credits. The sales team also works closely with the Company's project partners when making decisions about allocation of sales channels and contract structure.

Acquisition Growth Strategy

Carbon Streaming believes there is significant potential for stream-based financing in the carbon markets. According to the voluntary registry offsets database developed and maintained by the Berkeley Carbon Trading Project in collaboration with Carbon Direct, as of December 31, 2023, there were over 8,700 carbon offset projects listed in the four largest voluntary carbon credit Registries (ACR, CAR, Gold Standard and VCS administered by Verra). The Company anticipates the number of carbon offset projects will increase in response to increasing demand for carbon credits driven both by growing corporate commitments to achieve net-zero emissions and increasing stringency of national policies. Carbon Streaming has positioned itself to not only be able to market a high-integrity and diverse selection of carbon credits to the buyers that will need them to meet their regulated or voluntary requirements or goals as they compensate for their GHG emissions as they decarbonize, but also to provide an attractive long-term alternative to traditional financing for project partners looking to develop or expand carbon offset projects or monetize some or all of their existing or future carbon credits today.

Overview of the Company’s Carbon Credit Projects

A description of the Company's streaming agreements, royalty arrangements and binding term sheets is set forth below.

Rimba Raya Stream and Project Overview

The Company has entered into a purchase and sale agreement dated July 30, 2021, which was amended on February 28, 2023 (the "**Rimba Raya Stream**"), with InfiniteEARTH Limited and InfiniteEARTH Nusantara, the project operators of the Rimba Raya project (“**InfiniteEARTH**”), covering the Rimba Raya project, a REDD+ project that has been conserving tropical lowland peat swamp forests in Central Kalimantan, Indonesia for over a decade.

Pursuant to the terms of the transaction, the Company paid an upfront deposit of $22.3 million for the Rimba Raya Stream and entered into a strategic alliance agreement (the “**SAA**”) with the founders of InfiniteEARTH for total consideration comprised of $4.0 million in cash and the issuance of 4,539,180 Common Shares on a post-Consolidation basis. For additional information in respect of the SAA, see “– *Other Agreements & Investments – InfiniteEARTH Strategic Alliance Agreement*”. Under the amendment, InfiniteEARTH Nusantara was added as a seller to the Rimba Raya Stream.

Under the terms of the Rimba Raya Stream, InfiniteEARTH will deliver 100% of the carbon credits generated by the Rimba Raya project over the remaining 50-year life of the project (which is expected to run to 2073) for sale by Carbon Streaming, less up to 635,000 carbon credits per annum that are already committed to previous buyers. The Company is responsible for marketing and selling the carbon credits delivered to it under the stream and will make ongoing delivery payments to InfiniteEARTH for each carbon credit that is sold by Carbon Streaming.

Historically, the Rimba Raya project was registered with Verra under project identification: 674 and was among the first Verra registered REDD+ projects. The project is currently registered under the SRN (as defined below) under registry number REG-11-RE-XI-2022-10734. The project has been issuing carbon credits since 2013 for project activities dating back to 2009, with such credits being sold through a variety of sales channels. In November 2021, the project received a renewed concession license, extending both the project’s concession license and the project lifetime to 2073.

The Rimba Raya project, located on the island of Borneo in the province of Central Kalimantan, Indonesia, is one of the world’s largest initiatives to protect and preserve tropical lowland peat swamp forests – one of the terrestrial ecosystems with the highest carbon storing capacity but also one of the most highly endangered ecosystems in the world. InfiniteEARTH has operated the project since its inception in 2009 through a partnership with PT Rimba Raya Conservation, its local partner and the direct holder of the concession rights granted by the Indonesian government. In 2022 InfiniteEARTH established a local

Indonesian subsidiary, InfiniteEARTH Nusantara, to act as project operator and persons in charge of project activities.

The project achieves GHG emission reductions by preventing deforestation through conversion into palm oil plantations. The Rimba Raya project was designed to protect the biodiversity of the adjacent world-renowned Tanjung Puting National Park by creating a physical buffer zone on the full extent of the approximately 90 km eastern border of the park. The project area is rich in biodiversity, especially the endangered Bornean orangutan, with over 100 species on the International Union for Conservation of Nature's Red List of Threatened Species ("**IUCN RED**") located within the reserve. It was the first REDD+ project to receive a "triple-gold" validation under the CCB Standards for exceptional benefits for climate change adaptation, community, and biodiversity. In addition, the Rimba Raya project was the first REDD+ project to be validated and verified under the Sustainable Development Verified Impact Standard ("**SD VISta Standard**") for its contribution to the UN SDGs, contributing to all 17 UN SDGs. See "*– Overview of Carbon Credit Markets – Co-Benefits – Co-Benefits Overview*".

A portion of the upfront deposit made by Carbon Streaming has gone to the project partner for the purpose of funding project activities and community programs including to advance agroforestry initiatives with a mix of indigenous crop in community farms, additional orangutan release camps and increased education scholarships. The operational budget for the project is funded through the revenue generated by the sale of carbon credits. In addition, a portion of the revenue goes directly to the project to support local community development and provincial government infrastructure. These activities include building towers to watch for wildfires or deforestation activities, cleaning rivers and planting mangroves for reforestation. Community involvement is vital for these activities which encourages local people to take an active part in continual project development. Community involvement is also enhanced through the development of programs to improve quality of life, such as water filtration systems, floating healthcare facilities, scholarships, and solar energy. All of the foregoing activities make significant contributions to Indonesia's sustainable development goals and UN climate commitments.

Project and Indonesian Regulatory Updates

In early 2022, the Rimba Raya project was scheduled to undergo its sixth VCS audit monitoring period to verify the emission reductions that occurred during the period from July 1, 2019 to June 30, 2021. However, in consideration of potentially imminent new regulations in Indonesia, this sixth audit was paused.

Specifically, Indonesia's Regulation 98 ("**Reg 98**") was enacted and became effective on October 29, 2021. Reg 98 introduced carbon economic value (also known as carbon pricing), measurement, reporting and verification requirements and a requirement to register the project on the government-operated *Sistem Registri Nasional Pengendalian Perubahan Iklim* ("**SRN**"). The SRN is Indonesia's domestic carbon registry and a system for managing data and information on actions and resources for climate change adaptation and mitigation, carbon pricing implementation/activities, and rules including rules related to cross-border trading of carbon credits.

In April 2022, the Indonesian government temporarily paused validation and verification of carbon credits from projects on the Verra Registry (and other international registries) as it sought to finalize its national carbon emission regulations and domestic registry. This pause has remained in place since April 2022, and as such, no carbon credits have been issued from the Rimba Raya project (or other voluntary carbon credit forestry projects in Indonesia) since such time.

In October 2022, the Ministry of Environment & Forestry ("**MOEF**") issued Regulation No. 21 of 2022 ("**Reg 21**") regarding Implementation Procedures of Carbon Economic Value, which sets out a framework for domestic and international carbon trading in Indonesia. Under Reg 21, all carbon projects in Indonesia must be registered, validated and verified on the SRN. In addition, between 10% and 20% of any carbon credit issuance for foreign GHG emission offsets may be withheld in Indonesia to meet Indonesia's NDCs as part of the country's Paris Agreement commitment, where such withheld carbon credits may be released upon the applicable sub-sector's NDC targets being met in two consecutive years. The buffer amount will be determined by MOEF and may be subject to a periodical change based on the evaluation of the results of the verified annual NDC target achievement report. A further 5% of carbon credits are also expected to be retained for domestic GHG emission offsets in Indonesia.

Following the issuance of Reg 98 and Reg 21, in 2023 the MOEF issued MOEF Regulation No. 7 of 2023 on Carbon Trading Procedure in Forestry Sector – which serves as a sectoral carbon trading regulation of forestry sector and MOEF Decree No. 1027 of 2023 on Carbon Trading Road Map for Forestry Sector. These new regulations set out a regulatory blueprint for carbon trading within Indonesia's forestry sector, outlining the specific types of forests eligible for carbon trading. The document also provides an overview of the carbon offset mechanisms and identifies potential participants for carbon trading activities.

Although the regulations for domestic carbon trading have been issued, carbon trading activities in the forestry sector have yet to commence. While there have been carbon credits issued by SRN, none of them were issued to the forestry sector. Proposed final rules and regulations for international trading remain under ongoing review and development by the Indonesian government, and accordingly, all of the foregoing remains subject to potential change prior to any resumption in the issuance of carbon credits from the Rimba Raya project.

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. The Company awaits the release of further NDC regulations and implementation regulations to fully understand their impact of the various regulations on the Rimba Raya Stream, including timing of issuance of carbon credits and international sales of carbon credits. In particular, the MOEF is currently preparing two regulations, among others, on the implementation of NDC targets and regulations on mechanism of international carbon trading. It is still unknown when these regulations will be issued.

In December 2022, the Rimba Raya project was the first REDD+ project to receive validation under Reg 21 and with the SRN. The Verra project was made up of four parcels; initial validation of the project under the SRN is comprised of one of the four parcels, comprising 36,331 ha under a concession agreement with the MOEF, of which approximately 28,000 ha is the carbon accounting area, generally consistent with the project area under Verra. InfiniteEARTH expects to add the three remaining parcels separately.

Under SRN program regulations, the project's emission reductions for the first parcel will extend until 2073, and are expected to average approximately 2.7 million tCO_2e per year according to the validation report. The validation was independently audited by PT Mutuagung Lestari, an Indonesian testing, inspection and certification company. The methodology used for the SRN validation of the project is adapted from the World Bank BioCarbon Fund Initiative for Sustainable Landscapes ("**ISFL**") Emission Reduction Program Requirements Version 2.0_2021. The original methodology used by the project under VCS (VM0004) was not accredited to the SRN and therefore could not be used. Once the project is verified, Rimba Raya carbon credits are expected to be issued and tracked by the SRN.

Verification of the project began in early 2023 and is expected to cover project activity for the period from July 1, 2019 to December 31, 2022. The verification process is currently on hold, pending the issuance of final verification requirements.

In light of these pending regulations, there remains significant uncertainty concerning the timing of completing verification, the resumption of the issuance of carbon credits and domestic and international trading from carbon credit projects located in Indonesia (including the Rimba Raya project), as well as any requirements or conditions that the Indonesian government may impose on any such resumption, given that a final legal and regulatory framework has not yet emerged. As such, final verification requirements, the resumption of the issuance of carbon credits (particularly from the forestry sector, including from the Rimba Raya project) and the timing of international sales continues to remain unknown at this time. For a comprehensive discussion of additional risks, assumptions and uncertainties that could impact the Indonesian regulatory and related developments described above, see also "*Risk Factors — Carbon Credit Industry Risk — Carbon credit generation may be impacted by local legislation, regulations and/or director government intervention*", "*Risk Factors — Carbon Credit Industry Risk — Foreign operation and political risk*" and "*Risk Factors – Project Risk – Dependence on third party project developers, owners and operators*" below.

Magdalena Bay Blue Carbon Stream and Project Overview

The Company has entered into a purchase and sale agreement dated May 13, 2021, which was amended and restated on July 24, 2023 (the "**Magdalena Bay Blue Carbon Stream**") with Fundación MarVivo Mexico, A.C. and MarVivo Corporation with respect to the Magdalena Bay Blue Carbon project, a mangrove forest and marine habitat conservation project to be developed in Magdalena Bay in Baja California Sur, Mexico.

Pursuant to the terms of the updated transaction, the Company has agreed to pay MarVivo Corporation an upfront deposit of up to $9.0 million for the Magdalena Bay Blue Carbon Stream, which is expected to contribute to the initial project development costs. Under the terms of the Magdalena Bay Blue Carbon Stream, MarVivo Corporation will deliver the greater of 300,000 carbon credits or 30% of verified credits generated by the project on an annual basis, an increase from the previous terms (which were the greater of 200,000 carbon credits or 20% of the carbon credits generated by the project on an annual basis), for a term of 30 years starting on the date of the first delivery of carbon credits. The Company is responsible for marketing and selling the carbon credits delivered to it under the stream and will make ongoing delivery payments to MarVivo Corporation based on the net revenue received from the sale of each carbon credit.

As at December 31, 2023, $3.0 million of the upfront deposit has been paid, with the balance to be paid in installments upon specific milestones being met during project development, which include receipt of various license and government approvals.

On December 7, 2022 Osisko acquired a participation right in 20% of the Magdalena Bay Blue Carbon Stream, which was amended and restated on December 7, 2023 ("**Magdalena Bay Blue Carbon Stream Participation Royalty**"). Under the terms of the Magdalena Bay Blue Carbon Stream Participation Royalty, Osisko is obligated to fund 20% of the original $6.0 million upfront deposit as such amounts are due (making the net upfront deposit for the Company $7.8 million). Osisko did not elect to participate in the addition to the original stream (as described above). As a result, the Magdalena Bay Blue Carbon Stream Participation Royalty will be settled in cash based on a portion of the net cash flows calculated using the original terms of the Magdalena Bay Blue Carbon Stream, prior to the July 2023 amendment and restatement. For additional information related to the Osisko's Stream Participation Rights, see "*Material Contracts – Participation Rights*".

The Magdalena Bay Blue Carbon project is expected to be developed as a REDD+ project and generate approximately 25 million blue carbon credits over its 30-year project life (averaging approximately 0.74 million carbon credits per annum).

MarVivo Corporation plans to have the project registered and validated under Verra's VCS, the CCB Standards and the SD VISta Standard. The project's start date was December 18, 2020, with the first carbon credits from the Magdalena Bay Blue Carbon project currently expected to be delivered to the Company in 2025. MarVivo Corporation has indicated that the Project Documents are substantially complete and the project is ready for submission to a validation audit. Validation and verification are expected to occur once the concession rights of federal mangroves are transferred from the Secretariat of Environment and Natural Resources ("**SEMARNAT**"), Mexico's environment ministry, to Mexico's National Commission for Protected Natural Areas ("**CONANP**"). The timing of SEMARNAT's approval of this transfer remains unknown at this time.

Magdalena Bay is home to Baja's largest mangrove forest creating a diverse and unique ecosystem. It is known for its pristine habitat and is home to a large diversity of sharks, whales, and a variety of other species, including multiple listed as endangered. The Mexican State of Sinaloa has undergone significant deforestation of mangroves due to intensive shrimp farming and the Magdalena Bay Blue Carbon project intends to prevent the same from occurring in Magdalena Bay. The project management zone covers approximately 15,000 ha and plans to limit deforestation, promote wildlife conservation, and generate unique benefits for the local communities. It is expected that the REDD+ framework will be used to define the project so that Blue Carbon credits may be generated to fund project activities and support the local communities.

The Magdalena Bay Blue Carbon project is being developed by Fundación MarVivo Mexico, A.C. and MarVivo Corporation in partnership with CONANP. The local communities of San Carlos (population of approximately 6,000) and Lopez Mateos (population of approximately 3,000) are also stakeholders involved in the project.

The operational budget for the Magdalena Bay Blue Carbon project is expected to be funded through the revenue generated from the sale of carbon credits. In addition, a portion of the proceeds from the sale of the carbon credits will support projects in local communities designed to address poverty, one of the main drivers of deforestation, and create new economic opportunities like ecotourism and sustainable sea scallop farming. The project has also implemented a community science program with a focus on scaling biodiversity activities while also providing direct benefits in employment, training and reducing poverty by training fisherman and providing permits for them to conduct the monitoring activities. To date, the project has monitored four trigger (endangered) species: blue whale, grey whale, sea turtle and devil rays, some of which were previously unknown to exist in the area. The program identifies fishermen and provides scientific training and permits for them to conduct weekly monitoring surveys of the trigger species. Project partners, government partners, CONANP and local communities have a long-term commitment to obtaining World Heritage Site status for the area due to its unique nature. Designation as a World Heritage Site would benefit the area through international recognition and legal protection, and further fund efforts to help facilitate conservation and development of ecotourism. The Magdalena Bay Blue Carbon project is expected to contribute to eight UN SDGs: Good Health and Wellbeing (3), Quality

Education (4), Gender Equality (5), Decent Work and Economic Growth (8), Climate Action (13), Life Below Water (14), Life on Land (15) and Partnership for the Goals. (17). See "*– Overview of Carbon Credit Markets – Co-Benefits – Co-Benefits Overview*".

Cerrado Biome Stream and Project Overview

The Company has entered into a purchase and sale agreement dated September 8, 2021, as amended, (the "**Cerrado Biome Stream**") with ERA Cerrado Assessoria e Projectos Ambientais Ltd ("**ERA**") with respect to the Avoided Conversion Cerrado grouped project ("**Cerrado Biome**"), located in Brazil's Cerrado biome.

Pursuant to the terms of the transaction, the Company agreed to pay ERA an upfront deposit of $0.5 million for the Cerrado Biome Stream, which was used to fund the initial project development costs and scale-up activities. Under the terms of the Cerrado Biome Stream, ERA will deliver 100% of the carbon credits generated by the Cerrado Biome project, less any pre-existing delivery obligations, for a term of 30 years. The Company is responsible for marketing and selling the carbon credits delivered to it under the stream and makes ongoing delivery payments to ERA based on the net revenue received from the sale of each carbon credit.

As at December 31, 2023, $0.38 million of the upfront deposit has been paid. The remainder of the upfront deposit will be paid upon the third and final milestones being met.

The project was registered with Verra under project identification: 2465 and has been developed as a grouped REDD+ VCS project, meaning that new project areas belonging to new or existing individual landholders can be added without the need for a full validation cycle for each project area. Based on the Project Documents registered with Verra, the project is expected to generate approximately 13 million carbon credits over its 30-year project life, scaling to a long-term average of 0.5 million carbon credits per year by 2030 (after risk buffer deductions). The actual number of carbon credits issued will depend on the ability of the project to add additional landholders to the project area.

In January 2023 316,781 carbon credits were issued by Verra from the project with Vintages from 2017 to 2021 and delivered to the Company. The second verification was initiated in July 2023 and issuance of carbon credits with Vintages 2021 to 2023 is expected in mid-2024.

The project is aimed at protecting native forests and grasslands in the Cerrado biome, one of the most biodiverse savanna regions in the world. The project currently consists of two land parcels that cover approximately 11,000 ha with expansion plans to bring in additional parcels of land to approximately 17,000 ha, which would increase the annual carbon credit generation. The project has a pipeline of landholders with interest in the project, and scale-up of the project is expected to take place over the first ten years, as additional landholders are added. The Cerrado Biome project is a pioneering initiative for native vegetation conservation of private lands in the Brazilian Cerrado under significant threat due to expanding commercial agriculture (soy, corn, cattle) in the region. Also known as the "inverted forest", due to the huge and deep-dwelling root-system of its native vegetation (storing considerable amounts of carbon), it is the birthplace of key springs that feed major watersheds in Brazil and Latin America, including the largest aquifer of the continent, the Guarani. The Cerrado Biome project offers a new innovative alternative for landholders to protect surplus native vegetation while generating sustainable revenue – receiving payments for conservation through the voluntary carbon market.

Due to its grouped nature, there are very few incremental additional costs to expand the project. The cost to scale-up the project are expected to primarily consist of landholder outreach work, and legal/contracting costs to put the necessary legal documentation in place, as well as initial social and environmental mapping associated with Co-Benefits that the project generates in every additional property added. These operating costs are to be funded by ERA from the upfront deposit funds as well as revenue generated by the sale of carbon credits from the project. If the project is not able to add additional landholders, or at the rate expected, then this will impact the carbon credit revenue generating capability of the project. In addition, ERA provides a significant portion of its proceeds from the carbon credit sales to the participating landholders, as a financial incentive to continue the conservation of their lands.

A portion of future carbon revenues under the Cerrado Biome Stream will be used to support local communities, preserve the unique biodiversity of the region and promote regional development and landscape connectivity through green corridors and agroforestry systems. The project is currently undergoing validation and verification to achieve CCB Standards certification of the project's Co-Benefits. Activities include environmental education and professional development, fire prevention, monitoring water quality and biodiversity preservation of the natural habitat of keystone species such as jaguars, tapirs, macaws, maned wolves, giant armadillos, and giant anteaters whose populations are threatened by agricultural expansions. Through these activities, the project expects to contribute to eight UN SDGs: No Poverty (1), Zero Hunger (2), Quality Education (4), Gender Equality (5), Decent Work and Economic Growth (8), Climate Action (13), Life on Land (15) and Partnerships for the Goals (17). See "– Overview of Carbon Credit Markets – Co-Benefits – Co-Benefits Overview".

Waverly Biochar Stream and Project Overview

The Company has entered into a purchase and sale agreement dated May 11, 2022, which was amended and restated on July 25, 2023 (the "**Waverly Biochar Stream**") and a royalty agreement dated July 25, 2023 (the "**Waverly Biochar Royalty**") with Waverly RB SPE LLC ("**Waverly RB**"), a subsidiary of Restoration Bioproducts LLC, to implement its project in Waverly, Virginia, United States to produce Biochar.

Pursuant to the terms of the original transaction, the Company agreed to pay an upfront deposit of $1.35 million for the Waverly Biochar Stream. In July 2023, the Company amended the terms of the Waverly Biochar Stream, resulting in a total upfront deposit of $2.95 million (a $1.6 million increase) and a lower ongoing delivery payment. The upfront deposit supports the construction of the Biochar production facility. Under the stream, Waverly RB will deliver 100% of the carbon credits generated by the project, for a term of 25 years starting on the date of the first delivery of carbon credits. The Company is responsible for marketing and selling the carbon credits generated under the stream and will make ongoing delivery payments to Waverly RB based on the net revenue received from the sale of each carbon credit.

The Company has also entered into the Waverly Biochar Royalty pursuant to which Carbon Streaming will receive a revenue royalty on volume of Biochar sold from the project over its 25-year life.

As of December 31, 2023, \$2.2 million of the upfront deposit has been paid, with the balance of \$0.75 million to be paid in installments over the term of the Waverly Biochar Stream.

Each dry metric tonne of Biochar produced will result in a certain number of metric tonnes of emission reductions with a certain permanence period. Waverly RB expects to produce Biochar to remove over 261,000 tCO_2e and generate an equivalent number of carbon credits over the 25-year project life (averaging approximately 10,500 tCO_2e per annum). The project is expected to be verified under the independent standard Puro.earth, a leading Standard for Biochar projects and the first delivery of carbon credits is expected in the second half of 2024.

The project involves construction of a facility that will produce Biochar using pyrolysis technology; located adjacent to a wood pellet manufacturer in Waverly, Virginia. Biochar is produced by heating biomass (organic feedstocks such as wood, peanut shells, manure and crop waste) in the near or total absence of oxygen and it is valuable for sequestration of GHGs. Construction of the facility, which commenced in December 2022, has experienced delays but is progressing and as of the date of this AIF, near mechanical completion. The first test of Biochar production and commercial production is expected in Q2 2024. Registration of the project with Puro.earth is expected by Q3 2024, with first delivery of carbon credits to follow.

It is anticipated that the majority of Biochar generated by the project will be used in agricultural applications to deliver soil enhancement through increased water and nutrient retention and ammonia reduction. The enhanced soil has the potential to improve crop yields and revenues. The project is also expected to generate clean energy that will be used at a nearby manufacturing plant, help stimulate additional investments in Virginia's agriculture, timber and lumber industries, and create jobs in the local community. For details regarding Co-Benefits for the Waverly Biochar project see "*– Overview of Carbon Credit Markets – Co-Benefits – Co-Benefits Overview*".

Sustainable Community Stream and Portfolio Overview

The Company has entered into a purchase and sale agreement dated June 20, 2022 (the "**Sustainable Community Stream**") with Will Solutions Inc. ("**Will Solutions**") to scale its Sustainable Community project in Quebec, Canada and to develop and scale its Sustainable Community project in Ontario, Canada. The projects focus on enrolling small emitters (under 25,000 tCO_2e per year) in Quebec and Ontario including SMEs, small municipalities, non-profit organizations and individual proprietorships.

Pursuant to the terms of the transaction, the Company agreed to pay an upfront deposit of \$20.0 million. Under the terms of the agreement, Carbon Streaming will receive 50% of the carbon credits generated by the projects, up to 44.1 million carbon credits from Vintage 2020 onwards. The Company is responsible for marketing and selling the carbon credits delivered to it under the stream and will make ongoing delivery payments to Will Solutions based on the net revenue received from the sale of each carbon credit.

As at December 31, 2023, \$4.0 million of the upfront deposit had been paid, with the subsequent installments of the upfront deposit payments to be made upon the projects achieving milestones primarily linked to achieving specified targets for enrollment of new members.

The Quebec Sustainable Community project has been developed, registered and validated under Verra's grouped project model under project identification: 929. The Quebec Sustainable Community project is one of the largest grouped projects in Canada to be registered with Verra and has been conducting activities that reduce GHG emissions since 2010 using the VM0018 methodology developed by Will Solutions. Carbon credits from the Quebec Sustainable Community project were first issued in 2014. A total of 2.7 million carbon credits have been verified from the Quebec Sustainable Community project to date from Vintages 2010 to 2019. Delays in completing verification of the monitoring report ("**MR**") 5 covering the 2019 Vintage carbon credits impacted the timing for the submission of the MR6 report for verification of the 2020 and 2021 Vintage carbon credits. The MR5 verification was approved by Verra in January 2024 and Will Solutions submitted MR6 for verification the same month. Will Solutions expects to make its first delivery to Carbon Streaming under the Sustainable Community Stream of carbon credits in the second half of 2024.

The Ontario Sustainable Community project has been listed with Verra under project identification: 3004. Initial Project Documents were submitted to Verra in June 2022 and the project is expected to be developed, registered and validated under the same model as the Quebec Sustainable Community project, with registration targeted for the second half of 2024.

Enrollment in both projects has been slower than expected and Will Solutions has revised its approach to focus on enrolling larger and higher quality SMEs (but fewer total members), with a goal of maintaining emission reduction targets. The Sustainable Community projects initially expect annual carbon credit delivery from both projects to ramp up to approximately 1.5 million carbon credits per year by 2030. Due to slower than expected enrollment and the revised approach, achieving these levels is likely to take longer than expected.

The projects aggregate and reward participants for implementing uncommon practices to reduce GHG emissions by utilizing a consolidated information and communication technology-enabled data collection and monitoring system that is used to qualify, measure, stimulate, gather and convert emission reduction activities into carbon credits. Approximately 70% of emission reductions anticipated from the projects would be considered methane avoidance, delivering action towards the UN Global Methane Pledge. Emission reductions from the projects currently come from diverse activities such as improved energy efficiency for buildings and redirection of waste away from landfills. The projects expect to add additional activities including optimal usage of transportation for businesses. By aggregating and clustering small emitters into regional hubs and offering a financial reward for emission reductions measures, the projects provide access to the carbon markets, encourage green innovation and organizational changes and spur economic opportunities linked to climate mitigation and adaptation to enterprises that may have otherwise been overlooked or disincentivized to participate in emission reductions. Will Solutions' membership qualification process is rigorous and involves a detailed review and measurement of GHG emissions.

Will Solutions is a certified B-Corporation and obtained its re-certification in September 2022. B Corp gathers, evaluates and certifies organizations that apply for its certification according to five main sections: communities, employees, environment, governance and customers. B Corp certification illustrates the quality of Will Solutions' environmental and social commitments. Will Solutions donates 10% of its net income to community projects that support sustainable development. Will Solutions has not pursued accreditation for Co-Benefits associated with the project but through project activities has identified six UN SDGs that it contributes to or expects to contribute to: Industry, Innovation and Infrastructure (9), Reduced Inequalities (10), Sustainable Cities and Communities (11), Responsible

Consumption and Production (12), Climate Action (13) and Partnerships for the Goals (17) and published a report on the progress it has made towards its sustainable development goals in June 2022. An explanation of how project activities have resulted in positive impact on UN SDGs was included in Will Solutions' submission to Verra for validation of carbon credits for the Quebec Sustainable Community project. See "– *Overview of Carbon Credit Markets – Co-Benefits – Co-Benefits Overview*".

Community Carbon Stream and Cookstove & Water Purification Portfolio Overview

The Company closed a purchase and sale agreement on August 16, 2022 (the "**Community 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 under a grouped project model.

Pursuant to the terms of the transaction, the Company agreed to pay an upfront deposit of $20.0 million for the Community Carbon Stream. Under the terms of the agreement, Carbon Streaming receives a portion of the credits generated from a diversified portfolio of three cookstove projects and four safe water projects across Uganda, Mozambique, Tanzania, Zambia, and Malawi over the 15-year life of the Community Carbon Stream. Carbon Streaming's economic interest is consistent with the terms of the Company's other streaming agreements. The Company is responsible for marketing and selling the carbon credits delivered to it under the stream.

As at December 31, 2023, $11.18 million of the upfront deposit had been paid. The balance of the installments of up to $8.83 million will be paid as additional milestones are met and as cookstove and water purification units are distributed and carbon credits are validated and issued.

The Mozambique cookstove project is registered with Gold Standard under project identification: 11211, the Uganda cookstove project is registered under two project identifications: 10967 and 12119 and the Tanzania cookstove project is registered with Verra under project identification: 2676. The safe water projects in Uganda, Malawi, Zambia and Mozambique are registered with Gold Standard under identifications: 10968, 11245, 11320 and 11321, respectively. In 2023, the Company received over 800,000 carbon credits from the Tanzania cookstove project, the Uganda cookstove project and the Uganda safe water project. Community Carbon expects the next issuance of over 250,000 carbon credits to occur in the first half of 2024.

Emission reductions generated by the Community Carbon projects are independently verified under the Gold Standard (and for the Tanzania cookstove project, under Verra). The projects are expected to reduce up to approximately 50 million tCO_2e of emissions over the 15 to 21 year lives of the projects and generate an equivalent number of carbon credits.

Community Carbon works with micro-entrepreneurs, non-governmental organizations, financial institutions and local distribution partners to provide households with the technology and ensure the "last-mile" distribution and installation of the technologies to the recipients. The roll out is underway in Uganda, Mozambique, Tanzania, Zambia, and Malawi and is expected to continue over the next two years. As of December 31, 2023, 545,000 clean cookstoves and water purification devices (of targeted 776,000) have been distributed in Uganda, Tanzania, Mozambique, and Malawi. As a result, considerations towards changes to portfolio strategy were initiated in early 2024.

In the second half of 2023 Community Carbon began testing thermal heat sensors to improve monitoring accuracy of cookstove usage. Thermal heat sensors were installed on a portion of cookstove devices in Uganda to track both internal and external heat temperature of the cookstove unit. Data is recorded at 10-minute intervals with differences between internal and external heat temperature indicating active stove usage.

The projects are also expected to generate Co-Benefits, through job creation via local manufacturing, avoided wood and fuel costs, and local tree planting in the communities. The distribution of fuel-efficient cookstoves and water purification devices to millions is expected to help reduce emissions, improve health outcomes and reduce deforestation and degradation by protecting forests from illegal charcoal and wood harvesting. In addition, through the local manufacturing of the fuel-efficient cookstove devices, the cookstove projects aim to create hundreds of direct and indirect jobs per country and improve the quality of life of women and girls in particular, as they are disproportionately impacted by climate change due to their typical responsibility for household chores, particularly cooking and the fetching of water and related energy sources. The projects are expected to contribute to nine UN SDGs: No Poverty (1), Good Health and Well Being (3), Gender Equality (5), Clean Water and Sanitation (6), Affordable and Clean Energy (7), Decent Work and Economic Growth (8), Responsible Production and Consumption (12), Climate Action (13) and Life on Land (15). See "– *Overview of Carbon Credit Markets – Co-Benefits – Co-Benefits Overview*".

In connection with entering into the Community Carbon Stream, Community Carbon created an impact fund (the "**Impact Fund**") to support additional community programs. The Impact Fund is jointly funded from a portion of the carbon credit sales revenue from the projects over the life of the Community Carbon Stream. The fund supports initiatives dedicated to the education and empowerment of women and girls. To accelerate the Impact Fund's work, Carbon Streaming made an initial advance of $375,000 to the fund. The first organizations to receive funding from the Impact Fund were Street Child and Advancing Girls' Education in Africa ("**AGE Africa**"). An initial disbursement was made to each organization in May 2023. The funds disbursed to Street Child are being used by the organization to support 4,860 children in the Kyangwali refugee settlement in Uganda to remain in mainstream education. The funds disbursed to AGE Africa are being used to educated girls in Malawi and to empower them and provide the knowledge and skills to become leaders in climate change response at local and national levels.

Nalgonda Rice Farming Stream and Project Overview

The Company has entered into a purchase and sale agreement dated September 28, 2022, which was amended on August 9, 2023 and on January 22, 2024 (the "**Nalgonda Rice Farming Stream**") with Core CarbonX Pte. Ltd. and its services provider, Core CarbonX Solutions Private Limited (collectively, "**Core CarbonX**"), to develop its Nalgonda Rice Farming methane avoidance grouped project located in the Nalgonda District, Telangana State, India.

Pursuant to the terms of the transaction, the Company initially agreed to pay Core CarbonX an upfront deposit of $3.3 million for the Nalgonda Rice Farming Stream. Pursuant to the first amendment, the total committed upfront deposit was decreased to $2.4 million and the ongoing delivery payments were increased. The second amendment provides, among other things, that Core CarbonX use a portion of the second installment of the upfront deposit to fund pre-payments to farmers and provides that Core CarbonX will implement Alternate Wetting and Drying ("**AWD**") in rice fields covering 62,000 ha (an increase from the previous scope covering 55,000 ha). Under the Nalgonda Rice Farming Stream, Core CarbonX will deliver 100% of the carbon credits generated by the project to Carbon Streaming for a term of seven years, The Company is responsible for marketing and selling the carbon credits delivered to it under the stream and makes ongoing delivery payments to Core CarbonX based on the net revenue received from the sale of each carbon credit.

As at December 31, 2023, $1.6 million of the upfront deposit had been paid, with additional installments to be paid upon specific project milestones being met. In January 2024, the Company paid an additional $0.4 million of the upfront deposit.

The Project Documents were first submitted to Verra in May 2022 under project identification: 3238. In September 2023, Core CarbonX submitted the project for registration and first validation with Verra. The project has been selected by Verra to participate in its remote sensing analysis pilot.

The emission reductions generated by the Nalgonda Rice Farming project are expected to be initially independently verified and registered by Verra using the UNFCCC Clean Development Mechanism (CDM) Methodology AMS-III.AU.: Methane emission reduction by adjusted water management practice in rice cultivation in the VCS program ("**AMS-III.AU Methodology**"). Following a review, Verra inactivated the AMS-III.AU Methodology and confirmed that certain projects identified as having quality issues with their validations and/or verifications conducted by certain validation/verification bodies will remain on hold. Other registered and listed projects, including the Nalgonda Rice Farming project, are permitted to proceed under the AMS-III.AU Methodology. Concurrent with its review of registrations, Verra is scoping a revised rice-specific methodology or module that may replace the AMS-III.AU Methodology and it is anticipated that projects proceeding with validation under the AMS-III.AU Methodology may need to adjust to the revised methodology over time. The initial draft of the new methodology is expected to be released in Q2 2024. At this time it is not known whether a revised methodology will impact the project, if at all. First issuance of carbon credits was initially expected in the second half of 2023 but was delayed due to Verra's review.

Under the AMS-III.AU Methodology, the project is expected to reduce approximately 2.5 million tCO_2e emissions and generate an equivalent number of carbon credits over its seven-year project life, in a range of approximately 300,000 to 400,000 carbon credits annually. All GHG emission reductions are considered methane avoidance and contribute to achieving the goal of the UN Global Methane Pledge of cutting anthropogenic methane emissions at least 30% by 2030 from 2020 levels.

The project enrolls rice farmers in a program to reduce GHG emissions by improving their rice cultivation practices. As at December 31, 2023, there were approximately 28,000 landholders enrolled in the project comprising approximately 37,000 ha of farmland and enrollment is continuing and the project expects to enroll approximately 62,000 ha of farmland. Core CarbonX will compensate participating landholders by paying them a portion of the net proceeds from the sale of each carbon credit. The improved cultivation practices and resulting GHG emission reductions are achieved through implementing AWD or AWD and Direct-Seeded Rice ("**DSR**") measures. As part of the project, Core CarbonX will install field water tubes to monitor the water depth to notify farmers when to change the water regime in their fields. The conventional rice cultivation practice of continuous flooding results in larger methane production through anaerobic decomposition of soil. By implementing the AWD measures, water usage is expected to decrease up to 20-30%, resulting in associated energy savings from reduced water pumping, and GHG emissions are estimated to decrease by up to 50%.

Although the project is not currently seeking accreditation of Co-Benefits from a Standard, it is expected to achieve Co-Benefits including targeting poverty and hunger by increasing crop yield though improved farming techniques, creating job opportunities and utilizing a public-private partnership to transfer technologies for use in monitoring the outputs from the research stage to the fields. See "– *Overview of Carbon Credit Markets – Co-Benefits – Co-Benefits Overview*".

Enfield Biochar Stream and Project Overview

The Company has entered into a purchase and sale agreement (the "**Enfield Biochar Stream**") and a royalty agreement (the "**Enfield Biochar Royalty**") dated November 1, 2022 with Standard Biocarbon Corporation ("**Standard Biocarbon**") to support the development of its Biochar project in Enfield, Maine, United States.

Pursuant to the terms of the transaction, the Company agreed to pay Standard Biocarbon an upfront deposit of $1.3 million for the Enfield Biochar Stream, which will support the construction of the Biochar pyrolysis pilot facility. Under the terms of the Enfield Biochar Stream, Standard Biocarbon will deliver 100% of the carbon credits generated by the Enfield Biochar project for a term of 30 years. The Company is responsible for marketing and selling the carbon credits delivered to it under the stream and makes ongoing delivery payments to Standard Biocarbon based on the net revenue received from the sale of each carbon credit. The operational budget for the project is expected to be funded through the revenue generated from the sale of the carbon credits and Biochar production.

The Company has also entered into the Enfield Biochar Royalty pursuant to which Carbon Streaming will receive a revenue royalty on the volume of Biochar marketed and sold by Standard Biocarbon.

As at December 31, 2023, $1.0 million of the upfront deposit has been paid. The remainder of the upfront deposit will be paid upon achieving the final milestone.

Over its 30-year life, the project is expected to remove approximately 90,000 tCO_2e emissions, to generate an equivalent number of carbon credits and produce approximately 250,000 yd^3 of Biochar.

The project comprises the development of a pilot facility using carbonization systems ("**PYREG Machines**") engineered and built by PYREG GmbH ("**PYREG"**), through which woodchips and sawdust from the Pleasant River Lumber Co. mill in Enfield, Maine will be converted into premium-quality Biochar. Each average dry metric tonne of Biochar produced will result in a certain number of metric tonnes of emission removals with a certain permanence period.

As at the date of this AIF, the facility structure has been erected, the PYREG machines and ancillary components have been delivered and installation is near complete. The project experienced delays during the construction phase and testing of Biochar and first commercial production, which was initially targeted for the second half of 2023, is now targeted for Q2 2024 with registration of the project with Puro.earth and first delivery of carbon credits to follow in Q3 2024.

In addition, a portion of the thermal energy generated in the pyrolysis process is expected to be returned to the boilers powering the mill's drying kilns.

For details regarding Co-Benefits for the Enfield Biochar project see "– *Overview of Carbon Credit Markets – Co-Benefits – Co-Benefits Overview*".

Sheep Creek Reforestation Stream and Project Overview

The Company has entered into a purchase and sale agreement dated May 9, 2023, as amended on February 7, 2024 (the "**Sheep Creek Reforestation Stream**") with Mast Reforestation SPV I, LLC ("**Mast**") for a post-wildfire reforestation project at the Sheep Creek Ranch in Montana, United States.

Pursuant to the terms of the transaction, the Company agreed to pay an upfront deposit of $3.53 million for the Sheep Creek Reforestation Stream. Under the terms of the agreement, Carbon Streaming receives 100% of the carbon removal credits created by the project, referred to as Forecast Mitigation Units ("**FMUs**") under the Climate Action Reserve's ("**CAR**") Climate Forward program, less any pre-committed FMUs. The Company is responsible for marketing and selling the FMUs delivered to it under the stream and will make ongoing delivery payments to Mast for each FMU that is sold by the Company, which will increase according to a tiered streaming structure dependent on return on invested capital thresholds.

As of December 31, 2023, $0.54 million of the upfront deposit had been paid, with the balance to be paid in installments as the project achieves site preparation, planting and issuance milestones. The project, located in western Montana, is expected to restore more than 2,600 acres at Sheep Creek Ranch that experienced a high-severity burn from the 2021 Harris Mountain Fire. The amended terms of the Sheep Creek Reforestation Stream include additional hectares of the Sheep Creek Ranch, increasing the FMU generation expected under the stream by approximately 30,000 FMUs. The project has also secured a grant, enabling the upfront deposit to be reduced from $3.78 million to $3.53 million. The upfront deposit is expected to be used for site preparation, seedling cultivation and planting.

The Sheep Creek Reforestation project is expected to remove a total of approximately 285,000 tCO_2e and generate an equivalent number of FMUs based on two planting phases. The FMUs are expected to be independently confirmed by a CAR-approved confirmation body. FMU issuance for the first planting area is expected in approximately 2025 and issuance for the second planting area is expected in approximately 2026.

For details regarding Co-Benefits for the Sheep Creek Reforestation project see "*– Overview of Carbon Credit Markets – Co-Benefits – Co-Benefits Overview*".

Feather River Reforestation Stream and Project Overview

The Company has entered into a purchase and sale agreement dated September 14, 2023 (the "**Feather River Reforestation Stream**") with Mast for a post-wildfire reforestation project at the Feather River Dome property in California, United States.

Pursuant to the terms of the transaction, the Company agreed to pay an upfront deposit of $0.72 million for the Feather River Reforestation Stream. Under the terms of the Feather River Reforestation Stream, Carbon Streaming receives 100% of the FMUs created by the project which are expected to be issued in 2025. The Company is responsible for marketing and selling the FMUs delivered to it under the Feather River Reforestation Stream and will make ongoing delivery payments to Mast for each FMU that is sold by the Company, which will increase according to a tiered streaming structure dependent on return on invested capital thresholds.

As at December 31, 2023, $0.28 million of the upfront deposit had been paid, with the balance to be paid in installments as the project achieves site preparation, planting and issuance milestones. The project, located in Butte County, California, is expected to restore approximately 168 acres at the Feather River Dome property that experienced a high-severity burn from the 2020 Bear Mountain Fire. The upfront deposit is expected to be used for on-the-ground project implementation activities, including site preparation and planting.

The Feather River Reforestation project is expected to remove a total of approximately 50,000 tCO_2e and generate an equivalent number of FMUs. The FMUs are expected to be independently confirmed by a CAR-approved confirmation body. FMU issuance is expected in 2025.

The Feather River Dome property is significant for its high conservation value, providing habitat for local fauna such as black bear and deer, in addition to providing an important water source for the Sacramento Valley.

For details regarding Co-Benefits for the Feather River Reforestation project see "*– Overview of Carbon Credit Markets – Co-Benefits – Co-Benefits Overview*".

Baccala Ranch Reforestation Stream and Project Overview

The Company has entered into a purchase and sale agreement dated February 7, 2024 (the "**Baccala Ranch Reforestation Stream**") with Mast for a post-wildfire reforestation project in California, United States.

Pursuant to the terms of the transaction, the Company agreed to pay an upfront deposit of $1.6 million for the Baccala Ranch Reforestation Stream. Under the terms of the Baccala Ranch Reforestation Stream, Carbon Streaming receives 100% of the FMUs created by the project. The Company is responsible for marketing and selling the FMUs delivered to it under the Baccala Ranch Reforestation Stream and will make ongoing delivery payments to Mast for each FMU that is sold by the Company, which will increase according to a tiered streaming structure dependent on return on invested capital thresholds.

Carbon Streaming will make an initial upfront deposit of $0.32 million on closing of the transaction, with the balance to be paid in installments as the project achieves site preparation, planting and issuance milestones. Closing of the Baccala Ranch Reforestation Stream is subject to customary conditions with closing expected to occur in mid-2024.

The project, located in Tehama and Plumas Counties, California, is expected to restore 523 acres at the Baccala Ranch property that was severely burned by the Dixie Fire in 2021. The upfront deposit is expected to be used for on-the-ground project implementation activities, including site preparation and planting.

The Baccala Ranch Reforestation Project is expected to remove a total of approximately 91,500 tCO_2e and generate an equivalent number of FMUs. The FMUs are expected to be independently confirmed by a CAR-approved confirmation body. FMU issuance is expected in 2026.

The Baccala Ranch property is significant for its high conservation value and notable intersection with the Pacific Crest trail, providing habitat for local fauna including black bears, mule deer, and bald eagles. Reforestation of Baccala Ranch will also reduce sedimentation, improve water quality and enhance hydrologic function of the Lake Almanor Watershed. For details regarding Co-Benefits for the Baccala Ranch Reforestation project see "*– Overview of Carbon Credit Markets – Co-Benefits – Co-Benefits Overview*".

Bonobo Peace Forest Royalty

On September 8, 2022, the Company and the Bonobo Conservation Initiative ("**BCI**") entered into a royalty agreement, subsequently amended and restated on August 25, 2023 (the "**Bonobo Peace Forest Royalty**"), covering carbon credit revenues generated from the Kokolopori Bonobo Peace Forest Grouped REDD Project (Verra identification: 3575) and the Sankuru Peace Forest Grouped REDD Project (Verra identification: 3592) (the "**Bonobo Peace Forest Projects**") located in The Democratic Republic of the Congo. Under the Bonobo Peace Forest Royalty, the Company paid $2.48 million to BCI and will receive a 6.25% royalty over the carbon credit revenues generated from the Bonobo Peace Forest Projects. The term of the Bonobo Peace Forest Royalty is 30 years from the date of first royalty payment to the Company.

The Bonobo Peace Forest Projects cover a total of 2,611,831 hectares, located within the Sankuru Nature Reserve and the Kokolopori Bonobo Reserve. The projects are also expected to generate multiple social and economic benefits for local communities and help spearhead biodiversity conservation measures.

Amazon Portfolio Royalty

On September 8, 2022 the Company and Future Carbon International LLC, the international division of the Future Carbon Group ("**Future Carbon**") entered into a royalty agreement (the "**Amazon Portfolio Royalty**"), covering four REDD projects located in the Brazilian Amazon and registered with Verra, with SocialCARBON as the co-benefit standard: the Rio Madeira Grouped REDD+ Project (identification: 2878), the Yellow Ipê Grouped REDD Project (identification: 2373), the ABC Norte REDD Project (identification: 2558) and the Gairova REDD Project (identification: 2870) (the "**Amazon Portfolio**"). Under the Amazon Portfolio Royalty, the Company paid $3.0 million to Future Carbon and will receive a 5% royalty over the carbon credit revenues generated by Future Carbon from its interest in the Amazon Portfolio. The Amazon Portfolio Royalty term is 30 years from the date of first royalty payment, provided that if the parties enter into a streaming agreement covering the Amazon Portfolio, the Amazon Portfolio Royalty will terminate.

The four Amazon Portfolio projects are located in the Amazon rainforest in the states of Amazonas, Mato Grosso, Pará and Rondônia, which are deemed at high risk of deforestation. Project activities are expected to deliver multiple co-benefits to local communities while protecting forests and biodiversity. Future Carbon owns an effective 27% interest in the Amazon Portfolio. The projects aim to reduce approximately 68.3 million tCO_2e of emissions over the 30-year lives of the projects.

Sugar Maple Tree Reforestation Term Sheet

On July 12, 2022, the Company entered into a term sheet with Citadelle Maple Syrup Producers' Cooperative ("**Citadelle**") pursuant to which the Company provided approximately $307,000 of upfront funding for a grouped sugar maple afforestation, reforestation, revegetation and ecosystem restoration project in Quebec, Canada. Established in 1925, Citadelle is a dynamic agroforestry cooperative of over 1,500 members who tap sugar maple trees on their lands to produce maple syrup and is one of the largest suppliers of 100% pure maple syrup globally.

The initial funding from Carbon Streaming enabled Citadelle to achieve initial planting in the Fall 2022 and was intended to support additional plantings. The Company has decided not to move forward with Citadelle's restoration project which entitles the Company to be repaid the full amount of upfront funding.

Other Agreements & Investments

Mast Pipeline Agreement

On May 10, 2023, the Company entered into a pipeline streaming framework agreement (the "**Pipeline Agreement**") with Mast and the parent company of Mast, Droneseed Co. d/b/a Mast Reforestation pursuant to which, the Company has agreed to fund up to $15.0 million of projects from Mast's pipeline of post-wildfire reforestation projects across the Western United States.

Under the Pipeline Agreement, the parties will enter into a separate streaming agreement for each project, under which Carbon Streaming will make an upfront deposit in exchange for receiving up to 100% of the FMUs generated from the project and make ongoing payments to Mast for each FMU that is sold by the Company.

The projects to be funded pursuant to the Pipeline Agreement are expected to cover more than 9,000 acres of land in the Western United States severely impacted by wildfires, and are expected to remove a total of approximately 1 million tCO_2e and generate an equivalent number of FMUs.

As at December 31, 2023, the Company had entered two streams under the Pipeline Agreement, the Sheep Creek Reforestation Stream and the Feather River Reforestation Stream. On February 9, 2024, the Company announced that it had entered into its third stream under the Pipeline Agreement, the Baccala Ranch Reforestation Stream. For details regarding the stream agreements under the Pipeline Agreement see " - *Overview of the Company's Carbon Credit Projects*".

The projects funded pursuant to the Pipeline Agreement are expected to be registered under CAR's Climate Forward program. This program is designed to catalyze innovative, creative emission reduction projects that require upfront investments by generating FMUs using a methodology specifically intended for forward financing. Each FMU is equal to one metric ton of carbon dioxide equivalent (CO_2e) expected to be reduced or sequestered. FMUs for any given project or project area are issued in one tranche following confirmation which occurs approximately one year after planting to ensure seedling survival beyond the highest mortality period, and can be converted to Climate Reserve Tonnes with post monitoring and verification, or retired to mitigate future anticipated emissions.

Mast is a vertically-integrated reforestation company, combining reforestation practices with new technology to regrow healthy, resilient, climate-adapted forests. Mast cultivates, plants, manages and scales its portfolio of post-wildfire reforestation projects in the United States and provides services ranging from seed collection and cultivation to traditional hand planting and ongoing site monitoring.

Mast works with landholders to develop high-quality, North American post-wildfire reforestation projects with positive biodiversity impacts on lands that would not otherwise naturally regenerate due to the severity of today's wildfires. Mast's projects are expected to have positive impacts for wildlife and terrestrial and aquatic ecosystems, which will persist for more than 100 years of funded monitoring by an accredited land trust due to perpetual conservation easements. Mast's projects are also expected to support rural livelihoods, providing jobs in seed collection, nursery operation, site preparation, and seedling planting.

Concurrent with the entering into of the Pipeline Agreement, the Company invested $2.0 million into Droneseed Co. d/b/a Mast Reforestation through a convertible note (the "**Convertible Note**"). In October 2023, upon the execution of a qualifying financing event, the Convertible Note converted into preferred shares of the parent company of Mast, resulting in the Company being issued 1.3 million preferred shares of Droneseed Co. d/b/a Mast Reforestation.

InfiniteEARTH Strategic Alliance Agreement

Concurrent with entering into the Rimba Raya Stream, the Company, InfiniteEARTH Limited and the Founders entered into the SAA. Under the SAA, the Founders have agreed to provide consulting services to the Company, which will consist of carbon project advisory services, carbon credit marketing and sales services, as well as assisting the Company with due diligence initiatives on new potential carbon opportunities. In addition, the SAA provides Carbon Streaming with a right of first refusal on any future carbon credit streaming or royalty financing transaction for projects that are planned in the future, which includes a portfolio of blue carbon projects throughout the Americas. The initial term of the SAA is ten (10) years, with the option to renew the agreement for two successive five (5) year terms. No additional fees are payable to InfiniteEARTH Limited and the Founders during the initial ten (10) year term. The SAA also includes certain other covenants in favour of the Company, including a covenant whereby the Founders agreed for a five-year period to vote the Founders' Common Shares in accordance with the Company's recommendations in respect of the election of directors, the appointment of the auditor, and any merger, business combination or similar change of control transaction.

Pursuant to the terms of the SAA, as consideration for the consulting services and right of first refusal on future projects, the Company made an upfront cash investment of $4.0 million to InfiniteEARTH Limited and issued 4,539,180 Common Shares on a post-Consolidation basis (the "**Founders' Common Shares**") to the Founders for entering into the SAA. A portion of the Founders' Common Shares are currently being held by the Company as security to guarantee the obligations of InfiniteEARTH under the Rimba Raya Stream. While a portion of the Founders' Common Shares have been released from escrow, 3.5 million Founder's Common Shares continue to be voluntarily held in escrow, until such time as carbon credits are delivered under the Rimba Raya Stream. The Founders have indicated that they intend to use the consideration from the SAA to build a robust team to develop a portfolio of Blue Carbon projects through the Americas.

WZ JV Agreement

The Company has a strategic partnership with WilsonZinter Enterprises Ltd. ("**WZ**"), a First Nations business in British Columbia, to source and finance opportunities in collaboration with British Columbia First Nations and develop projects within their territories to combat climate change through the reduction of GHG emissions. In partnership, the Company and WZ will meet with First Nations officials to finance and develop carbon credit projects to meet such anticipated project benefits as reforestation and improved forestry management, wetland restoration, and associated efforts to protect the area's rich biodiversity and partnership with First Nations to offer sustainable economic development, employment, and environmental education opportunities for self-sufficient communities. No carbon credit projects have been developed with WZ as of the date of this AIF.

Carbon Fund Advisors

Carbon Streaming holds a 50% equity interest in Carbon Fund Advisors, which was the fund sponsor of the Carbon Strategy ETF (NYSE: KARB), an actively managed thematic ETF that aims to provide investors with exposure to the growing compliance markets. Carbon Fund Advisors ceased being the fund sponsor in December 2023 and is in the process of being liquidated and dissolved.

Background on Carbon Markets

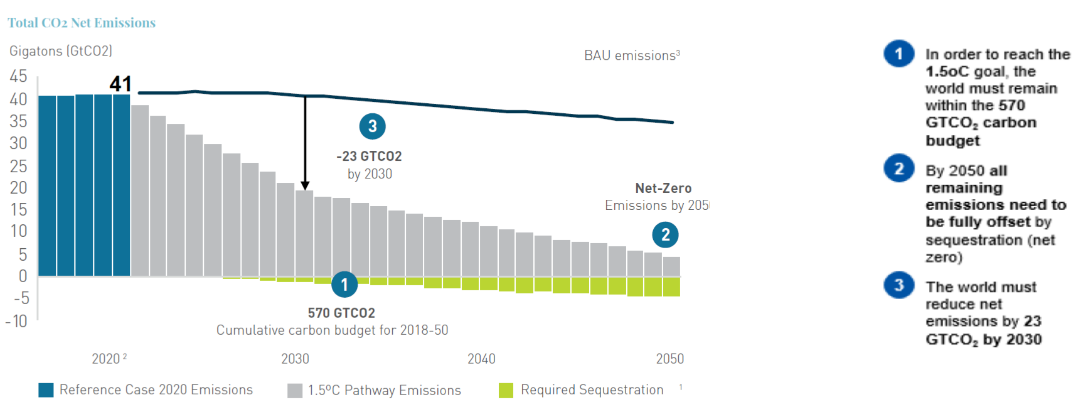
Global Climate Action Initiatives

The United Nations Framework Convention on Climate Change ("**UNFCCC**"), signed in 1992, established an international environmental treaty to "prevent dangerous human interference with the climate system". The framework was designed primarily as a means to begin and support a process for future, and more detailed, agreements about how to respond to climate change.

The Kyoto Protocol, which went into force on February 16, 2005, operationalized the UNFCCC by having countries commit to limit and reduce their GHG emissions in accordance with agreed individual targets. The protocol set binding emission reduction targets for 37 industrialized countries and economies in transition and the European Union which added up to an average of 5% below 1990 levels over the five-year period 2008 to 2012 (the first commitment period). The Kyoto Protocol served to pioneer new approaches for fighting climate change and two broad types of carbon markets emerged: compliance (regulated) market and the voluntary market.

In 2015, as a key element under the UNFCCC, the Paris Agreement (the "**Paris Agreement**") was adopted to set the world on a course towards sustainable development, aimed at holding global average temperature increases to 2°C above pre-industrial levels, while also pursuing efforts towards limiting the temperature increase even further to 1.5°C. Reaching the 1.5°C target requires that GHG emissions are cut by approximately 40% by 2030 and a balance between GHG emissions and removals, known more simply as the "net-zero" goal, is reached by 2050.

Pathway to reach the 1.5°C goal of the Paris Agreement (Total CO_2 Net Emissions)[1]



Notes:
(1) 570GT of cumulative CO_2 emissions from 2018 for a 66% chance of a 1.5°C increase in global mean surface temperature (GMST).
(2) While emissions fell by a quarter at the peak of COVID-related lock-down, daily emissions have rebounded to be only 5% lower than 2019 levels. Scenarios to 2050 remain the same. From Nature: Current and future global climate impacts resulting from COVID-19.
(3) Business-as-usual emissions. Source: McKinsey 1.5oC Scenario Analysis; IPCC; Le Quéré et al. 2018.

[1] Taskforce on Scaling Voluntary Carbon Markets, Final Report, January 2021.

The Paris Agreement requires each participating country to prepare, communicate and maintain successive nationally determined contributions (or NDCs) that it intends to achieve to meet the objectives of the Paris Agreement. NDCs are climate action plans which include targets for mitigating a country's GHG emissions. The mitigation plan for each country is multifaceted and includes targets and policies and measures for reducing national emissions and on adapting to climate change impacts and the needs for, or the provision of, finance, technologies and capacity building for these actions. Starting in 2020, countries are required to communicate new or updated NDCs every five years. In 2020 and 2021, many countries announced more aggressive GHG emission reduction goals while others pledged to be "carbon neutral" or "net zero" by 2050. Climate Watch tracks the NDCs and GHG emissions of countries, which can be found at https://www.climatewatchdata.org.

Article 6 of the Paris Agreement provides a framework for international cooperation and the use of market and non-market mechanisms for countries to achieve emission reduction targets set out in their NDCs. Article 6.2 of the Paris Agreement allows countries to trade emission reductions and removals, referred to as Internationally Transferred Mitigation Outcomes ("**ITMOs**"), with other countries through bilateral or multilateral agreements. In December 2023, the first ever transaction of ITMOs under Article 6.2 occurred for an E-Bus program in Bangkok between Thailand and Switzerland. Article 6.4 of the Paris Agreement establishes a centralized emissions trading mechanism designed to contribute to GHG mitigation and sustainable development. Article 6.4 requires endorsement from member countries in order to become fully operational. The framework and rules established under Article 6 will help establish how carbon is traded globally across borders which will likely have an impact on carbon markets. Implementation of Article 6 continues to progress as more countries sign bilateral cooperation agreements and the first activities to generate authorized emission reductions and removals are developed.

In March 2023, the Intergovernmental Panel on Climate Change ("**IPCC**") released its Synthesis Report, the last of the Sixth Assessment Report products, which stated "Cumulative carbon emissions until the time of reaching net-zero CO_2 emissions and the level of greenhouse gas emission reductions this decade largely determine whether warming can be limited to 1.5°C or 2°C."[2] In November 2023, the UN Environment Programme ("**UNEP**") published its annual report which stated that fully implementing unconditional NDCs made under the Paris Agreement would put the world on track for limiting temperature rise to 2.9°C above pre-industrial levels this century. Fully implementing conditional NDCs would lower this to 2.5°C. In the most optimistic scenario, the likelihood of limiting warming to 1.5°C is only 14%. The world needs to cut 2030 emissions by 28% for the Paris Agreement 2°C goal and 42% for the 1.5°C goal.[3]

As more organizations around the world recognize the need to drastically curtail GHG emissions and commit to the goals of the Paris Agreement, there is a need for companies to share ideas and work through bodies such as the International Emissions Trading Association ("**IETA**"), a non-profit business organization created in June 1999 to empower businesses to engage in climate action, advance the objectives of the UNFCCC and the Paris Agreement as informed by IPCC science, and establish effective market-based trading systems for GHG emissions and removals that are environmentally robust, fair, open, efficient, accountable and consistent across national boundaries. At the national and sub-national levels, IETA promotes best practices for voluntary and compliance markets, and supports integrity in market linkages across the world. At the international level, IETA focuses on the development of

[2] IPCC, Climate Change 2023: Synthesis Report, March 20, 2023.

[3] UNEP, Emissions Gap Report 2023, November 20, 2023.

transparency rules and accounting standards under Articles 5 and 6 of the Paris Agreement, CORSIA and voluntary carbon markets. The Company has been a member of IETA since 2021. As an IETA member, Carbon Streaming has direct access to industry intelligence, participation in international discussion and insight into policy developments.

The International Carbon Reduction & Offset Alliance ("**ICROA**") has been highly involved in the voluntary carbon market. ICROA's objective is to provide a framework for responsible corporate climate action by enhancing the integrity of the voluntary carbon market by setting standards, promoting and advancing the use of high-quality carbon credits and promoting and facilitating carbon finance. It is a leading voice in the voluntary carbon market, providing quality assurance, and guidance on emissions reductions and high-quality offsetting. ICROA delivers its objectives through the ICROA Accreditation Programme by acting as a platform for advocacy and innovation and by facilitating carbon finance to complement countries' Paris commitments. The Company received ICROA accreditation in January 2023. The Accreditation Programme defines and promotes best practice in the financing of high-quality emissions reductions and use of carbon credits as an effective carbon management tool. Accredited organizations are required to be members of IETA and must complete an annual independent audit to assure compliance to the ICROA Code of Best Practice.

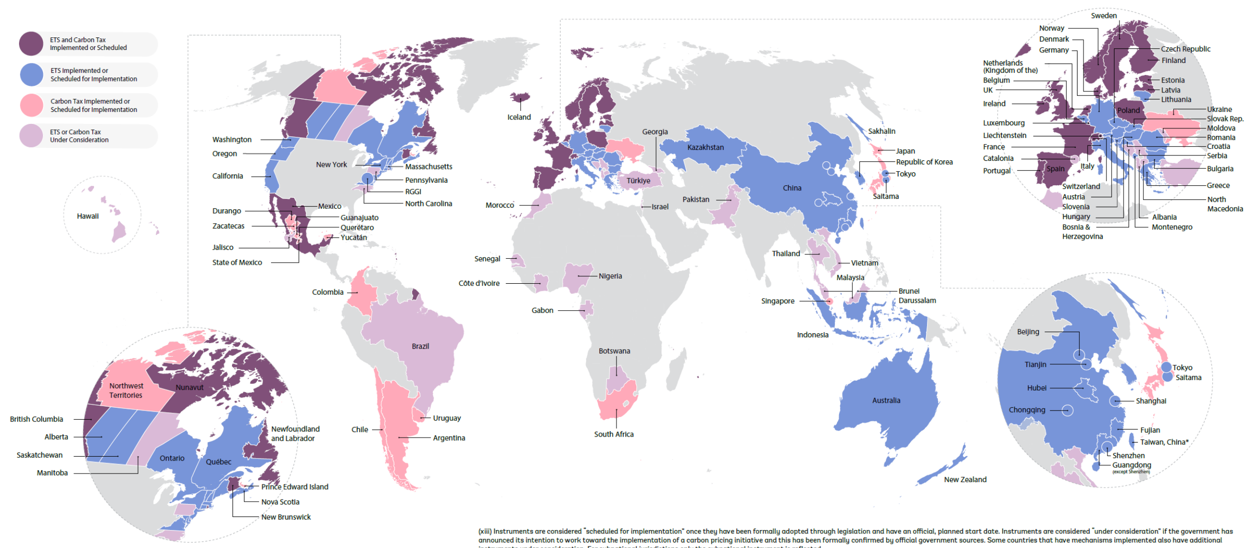
The Role of Carbon Pricing in Achieving the Net-Zero Goal

Carbon pricing is expected to play a critical role in efforts to achieve the net-zero goal by incentivizing innovation and progress in decarbonization technologies. Carbon pricing is about recognizing the cost of pollution and accounting for those costs in daily decisions while incentivizing consumers and producers to shift away from high-emissions processes and products to low-emissions or no-emissions alternatives.

Carbon pricing essentially puts a price on GHG emissions, which is often expressed as a monetary unit per tCO_2e. Carbon dioxide equivalent converts other GHGs, such as methane and nitrous oxide, into the amount of CO_2 based on the amount of heat the gas traps in the atmosphere over time relative to CO_2 (i.e., its global warming potential). It enables different GHGs to be combined and described in a common unit.

Global Carbon Pricing Initiatives (ETSs and carbon taxes) by Region[4]

[4] World Bank. 2023. State and Trends of Carbon Pricing 2023. Washington, DC: World Bank. doi: 10.1596/978-1-4648-2006-9. License: Creative Commons Attribution CC BY 3.0 IGO.



(xiii) Instruments are considered "scheduled for implementation" once they have been formally adopted through legislation and have an official, planned start date. Instruments are considered "under consideration" if the government has announced its intention to work toward the implementation of a carbon pricing initiative and this has been formally confirmed by official government sources. Some countries that have mechanisms implemented also have additional instruments under consideration. For subnational jurisdictions only the subnational instrument is reflected.

Carbon pricing initiatives exist in many jurisdictions; however, in many instances the current carbon prices remain substantially lower than those needed to achieve the objectives of the Paris Agreement. In 2017, the report of the Carbon Pricing Leadership Coalition's High-level Commission on Carbon Pricing recommended that prices should be between \$40/tCO_2 and \$80/tCO_2 in 2020, increasing annually to reach between \$50/tCO_2 and \$100/tCO_2 by 2030 to remain within 2°C increase over preindustrial global average temperatures. Adjusting for inflation allows a more direct comparison with current carbon prices - prices would need to reach \$61 to \$122 by 2030 (in 2023 US dollars). However, despite carbon prices hitting their highest levels in a number of jurisdictions in 2021 or 2022, less than 5% of global emissions are covered by a direct carbon price at or above the range recommended by 2030.[5]

Companies have also begun incorporating an internal carbon price into their business operations, risk management and investment decisions to account for current or future regulation that could increase the cost of emissions. An internal carbon price places a charge on the amount of carbon dioxide emitted from assets and/or investment projects so a company can see its financial impact on its business.[6] According to a report by the CDP[7] corporate adoption of carbon pricing is rising, with the number of companies using or planning to use an internal carbon price increasing 80% over the last five years to more than 2,000 companies with a combined market capitalization of \$27 trillion. This includes nearly half (226) of the world's 500 biggest companies by market capitalization. CDP's analysis found that the median internal carbon price disclosed by companies in 2020 was \$25 per tonne of CO_2e, which is below the level some experts say is needed to achieve the goals of the Paris Agreement. The UN Global Compact calls on companies to set an internal carbon price at a minimum of \$100 per metric ton over time.

[5] World Bank, 2023. State and Trends of Carbon Pricing 2023. Washington, DC.
[6] CDP, Putting a Price on Carbon, April 2021.
[7] CDP, Putting a Price on Carbon, April 2021.

Overview of Carbon Credit Markets

Compliance Market

Carbon pricing is being used by governments as a cost-effective tool to achieve their GHG emission reductions goals. In an emission trading system ("**ETS**"), a jurisdiction or a coalition of members sets a cap on the total annual GHG emissions to be generated by specific industries. The cap then typically declines annually to achieve the climate goals of the jurisdiction or members. Carbon allowances equal to the emissions cap may then be freely allocated and/or auctioned to emitting entities who may then trade these allowances between themselves based upon need.

ETSs are created and regulated by national, subnational or regional jurisdictions and collectively form the compliance carbon markets. Carbon allowances that are created in an ETS are primarily traded within their specific compliance market, but can also be traded on secondary markets, which may or may not be regulated.

The Kyoto Protocol enabled the 15 original member states of the European Union to join together to be treated as a single entity with one emissions cap for compliance purposes and led to the creation of the EU Emissions Trading System ("**EU ETS**"), which came into force in 2005. The EU ETS was the world's first ETS and today remains the largest compliance carbon market by transaction value and volume (it was also the largest ETS by covered emissions until China launched its national ETS in July 2021). The transaction value of the global compliance carbon markets has grown from €288 billion ($329 billion) in 2020 to €881 billion ($950 billion) in 2023. That represents a compound annual growth rate (CAGR) of approximately 45% over three years.[8]

Voluntary Market

The global voluntary carbon markets function outside of the compliance market(s) and allow businesses (including corporations, governments and asset managers), organizations and individuals to purchase carbon credits (voluntarily) to compensate for their GHG emissions and help achieve their sustainability goals. Carbon credits are purchased on the voluntary market and then "retired" by the purchaser to compensate for their GHG emissions. The issuing, transferring and retiring of carbon credits is executed through a Registry maintained by a Standard Body. Registries maintain transaction records for all issuances, transfers and retirements throughout a project's carbon credit life cycle.

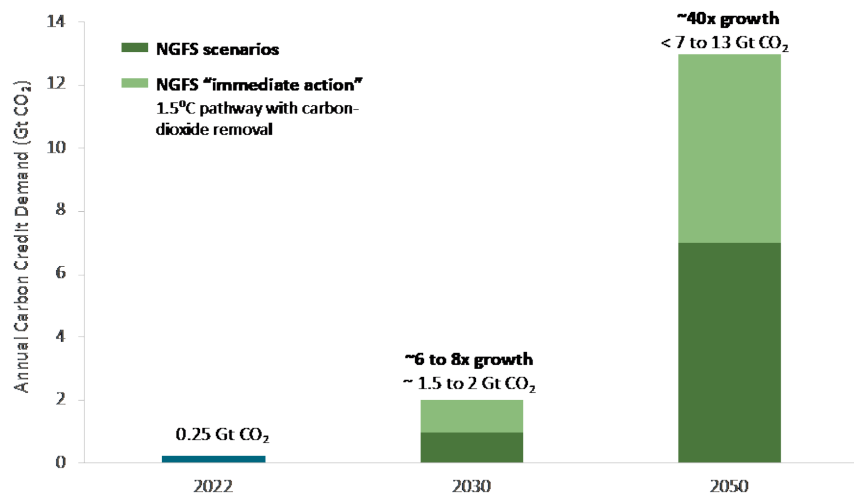
Currently, the voluntary markets represent a small portion of the total carbon market, with just under $1.9 billion traded in 2022, representing 254 $MtCO_2e$ in carbon credits.[9] In comparison, global compliance markets traded $950 billion in value representing 12.5 $GtCO_2e$ of allowances in 2023.[10] The voluntary markets currently trade less than 1% of the value and less than 5% of the volume of the compliance carbon markets.

The general growth trend in the voluntary market is forecast to continue. Scenarios developed by the Network for Greening the Financial System ("**NGFS**") forecast that demand in the voluntary market for

[8] LSEG, Carbon Market Year in Review 2023.
[9] Forest Trends' Ecosystem Marketplace. 2023. State of the Voluntary Carbon Markets 2023. Washington DC: Forest Trends Association.
[10] LSEG, Carbon Market Year in Review 2023.

carbon credits could grow by approximately 6-8-fold to 1.5 to 2 $GtCO_2$ of carbon credits per year in 2030 from 2022, and by approximately 40-fold to 7 to 13 $GtCO_2$ per year by 2050.[11]

Voluntary Credit Demand Scenarios in 2030 and 2050



Exchanges

Carbon credits are traded on both private and public markets. Some exchanges that specialize in the trading of compliance carbon credits include the European Climate Exchange, the NASDAQ OMX Commodities Europe exchange, and the European Energy Exchange. A significant portion of voluntary carbon market trading is conducted over the counter (OTC), but some exchanges that specialize in the trading of voluntary carbon credits include CBL, CIX, and Air Carbon Exchange (ACX). The prices of carbon credits are primarily driven by the levels of supply and demand in the markets. See "*– Carbon Credit Sales – Sales Strategy".*

Projects Generating Carbon Credits

There are many different types of projects that can generate carbon credits. Avoidance / Reduction projects aim to avoid or reduce the release of GHG emissions into the atmosphere. Examples of avoidance / reduction activities include preventing deforestation, forest degradation or land conversion; improving forestry practices; deploying fuel-efficient cookstoves and water purification devices; improving energy efficiency or avoiding landfill waste and methane emissions; and reducing emissions from farming practices. Avoided deforestation, whether involving forests, coastal areas, often referred to as Blue Carbon, or savanna-type areas involving avoided conversion of grasslands and shrublands ("**ACoGs**") typically use the Reducing Emissions from Deforestation and Forest Degradation ("**REDD+**") mechanism developed by the UNFCCC.

[11]McKinsey & Company, A blueprint for scaling voluntary carbon markets to meet the climate challenge, January 2021. These amounts reflect demand based on CO_2 removal and sequestration requirements under the NGFS's 1.5°C and 2.0°C scenarios. Both amounts reflect an assumption that all CO_2 removal and sequestration results from carbon credits purchased on the voluntary market (whereas some removal and sequestration will result from carbon credits purchased in compliance markets and some will result from efforts other than carbon-offsetting projects).

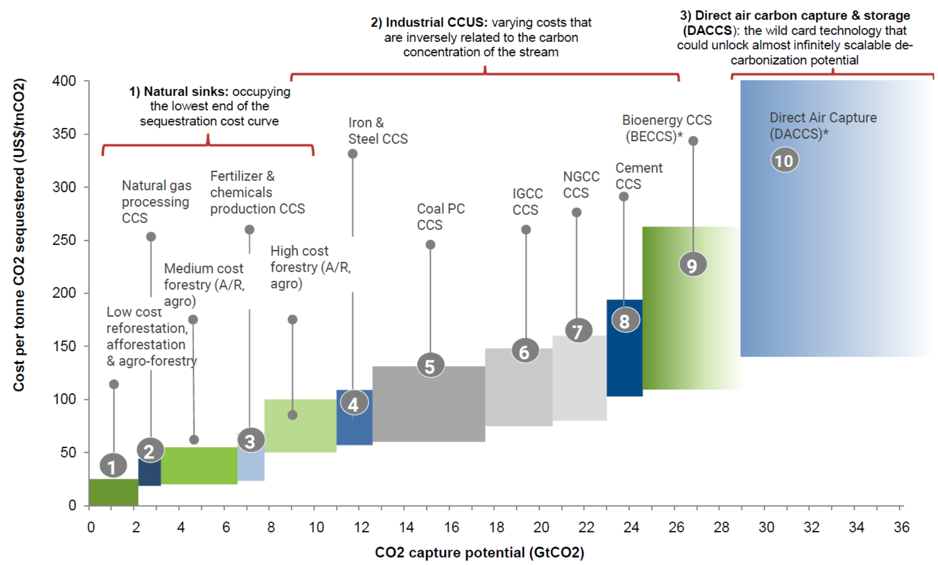
Removal / Sequestration projects aim to capture GHGs from the atmosphere and store the gases long-term. These types of projects can be nature-based (e.g., using trees or soil to sequester and store carbon) or technology-based (using technologies like direct air carbon capture and storage ("**DACCS**") or bioenergy with carbon capture and storage ("**BECCS**"), including Biochar).

Within the categories of Avoidance / Reduction and Removal / Sequestration, there are multiple types of projects, some of which are explained in further detail below.

- *Forests.* Approximately 80% of the earth's above-ground carbon and 40% of below-ground carbon is in forests. Forestry projects have been popular not only because of the carbon sequestration potential of forests, but also for their ability to potentially deliver additional environmental and social benefits for local communities, such as job creation, water conservation, flood prevention, control of soil erosion, protection of fisheries and preservation of biodiversity, cultures and traditions. Afforestation projects are efforts that help create a forest on land that was previously barren. Reforestation projects, on the other hand, involve replanting trees in an area that has been deforested. Collectively, afforestation and reforestation projects act as carbon sinks (e.g., natural or artificial deposits that store more carbon than they emit, such as oceans, forests and artificial carbon sequestration technologies that remove carbon from the air). Forest conservation (avoided deforestation) projects protect existing forests that would have otherwise been deforested without the revenue generated from carbon credits. The Company's Rimba Raya Stream, Magdalena Bay Blue Carbon Stream, Cerrado Biome Stream, Bonobo Peace Forest Royalty and the Amazon Portfolio Royalty cover forest conservation projects. The Company's Sheep Creek Reforestation Stream, Feather River Reforestation Stream and Baccala Ranch Reforestation Stream cover reforestation projects.
- *Improved energy efficiency.* Improved energy efficiency can be achieved by the installation of energy efficient products and technologies, fuel switching or the substitution of fossil fuel generation assets with solar, wind, hydro, geothermal or biomass alternatives. Cookstove and water purification projects also represent examples of improved energy efficient projects. The Company's Community Carbon Stream and certain project activity instances under the Sustainable Community Stream cover improved energy efficiency projects.
- *Methane capture or avoidance.* These projects either capture methane (a type of GHG) or reduce its emissions from landfills, agricultural or other sources and by doing so can have additional benefits of lowering the risk of groundwater and soil contamination and air pollution for adjacent communities. These projects generally either capture methane or reduce its emissions by flaring or improved waste management activities. The Company's Nalgonda Rice Farming Stream covers a methane avoidance project.
- *Biochar.* Biochar, short for biological charcoal, is an example of a technology-based carbon capture and storage project. Biochar is a very stable form of carbon and is produced by heating organic feedstocks known as biomass, which includes many types of organic waste (such as wood, peanut shells, manure and crop waste) in the near or total absence of oxygen. Biochar has the potential to sequester more than one billion tonnes of carbon dioxide every year by 2050 and can store the carbon for centuries. The Company's Waverly Biochar Stream and Enfield Biochar Stream cover Biochar projects.

Each type of removal/sequestration project has various cost points per tonne CO_2e sequestered. The table below shows the steep cost curve associated with carbon sequestration activities, which includes natural carbon sinks and carbon capture and storage ("**CCS**") that reduce net emissions by removing carbon from the atmosphere. The table depicts carbon abatement potential as a result of prospective sequestration technologies. Given the carbon abatement potential of DACCS is potentially limitless, the x-axis is arbitrary and not intended to define potential bounds.

Carbon sequestration cost curve (US$/t$CO_2$) and the GHG emissions abatement potential (GtCO_2)[12]



* Indicates technologies primarily in early development/ pilot phase with wide variability in the estimates of costs

As the cost curve demonstrates, high carbon prices are expected to be required to fund the activities needed for the world to reach net-zero, some of which involve new and innovative technologies that require significant capital to reach commercial scalability.

Credit Verification by Standard Bodies

Standard Bodies set the project design, implementation, monitoring, verification and reporting criteria against which a project's GHG emission reductions or removal activities and/or environmental and social Co-Benefits can be certified or verified. In the voluntary markets, a number of independent and competing Standard Bodies have emerged with the intent to increase credibility in the marketplace. Some of the Standards that are more commonly used and internationally recognized include the VCS administered by Verra, Gold Standard and Puro.earth. Currently, the Company has streaming and royalty agreements in place for projects that are certified or expected to be certified by Verra, Gold Standard, Puro.earth and CAR. Many of the Standard Bodies are non-profit organizations. The following table provides a general overview of each of these standards.

Standard[1]	Description	Eligible Projects	Unit	Co-Benefits Programs[2]
Verra VCS	One of the most widely used voluntary GHG programs in the world with nearly 1,700 certified VCS projects. In addition, according to Ecosystems Marketplace, as of August 2021, over 85% of all transacted voluntary carbon credits in 2021 were issued through Verra.	Project types across 12 broad categories including REDD+, Regenerative Agriculture and Reforestation	Verified Carbon Units (**VCUs**)	Climate, Community, & Biodiversity Standards (**CCB**) and SD VISta
Gold Standard	Standard that sets requirements to design projects for maximum positive impact in climate and development– – and to measure and report outcomes in the most	Renewable energy and energy efficiency projects; land use and NBS solutions excluding REDD+;	Verified Emission	Primary certification factors in Co-Benefits

[12] Goldman Sachs, Carbonomics – Introducing the GS net zero carbon models and sector frameworks, June 23, 2021 (from IPCC, Global CCS Institute, Goldman Sachs Global Investment Research).

	credible and efficient way. Gold Standard is ISEAL Code Compliant and been independently evaluated against ISEAL's Codes of Good Practice—a globally-recognized framework for effective, credible sustainability systems.	waste management; water benefits.	Reductions (**VERs**)	
Puro.earth	The first B2B marketplace, standard and registry focused solely on carbon removal. Nasdaq acquired a majority stake in Puro.earth in June 2021.	Four approved methodologies and one pilot methodology exclusive to carbon removal project types including biochar	CO_2 removal Certificates (**CORCs**)	No Co-Benefit program associated with the Standard as it focuses on technological removals
CAR Climate Forward	This program is designed to catalyze innovative, creative emission reduction or removal projects that require upfront investments by using a methodology specifically intended for forward financing.	Mitigation projects for approved methodologies specifically intended for forward financing.	Forecast Mitigation Units (**FMUs**)	No Co-Benefit program associated with the Standard

Notes:

(1) Project Registry Links: Verra: https://registry.verra.org; Gold Standard: https://www.goldstandard.org/resources/impact-registry; Puro.earth: https://registry.puro.earth/carbon-sequestration; CAR Climate Forward: Climate Forward – Accelerating Action on Climate Change.

(2) See *"— Co-Benefits Accreditation"* below.

The Standard Bodies help uphold the integrity of carbon credit projects by subjecting them to a rigorous set of rules and requirements. Once projects have been certified as meeting the requirements of the applicable Standard and one or more of its methodologies by a third-party auditor / verifier, project partners can be issued tradable carbon credits by the Standard Body.

Carbon credits that are certified or verified by recognized Standard Bodies are generally required to meet the following criteria:

- *Real, quantifiable and measurable.* The emission reductions or removals must be realized and quantified using a recognized methodology expressed using standard GHG metrics. For example, a range of factors are considered when estimating carbon credits from improved forest management, including existing timber inventory (e.g., age, species, volume), forest management, sustainability constraints, timing of harvests and regeneration strategies, among others. They also cannot be double counted or double claimed.
- *Additional.* The project activity must be additional. That is, it would not have existed in the absence of carbon market initiatives and the project reduces emissions or removes carbon dioxide from the atmosphere beyond a business-as-usual scenario. For example, claiming carbon credits from the reduction of methane from a landfill that was required by regulation to capture and destroy that methane would not be considered additional. Similarly, using carbon credits to fund an activity where other similar activities do not require carbon financing, or have significant non-carbon income, may not be considered additional.
- *Permanent.* Carbon credits must represent emission reductions or removals that will not be reversed after the credit is issued. If non-permanence is a material issue (e.g., wildfires) then buffer pools will usually be put in place to minimize that risk, and account for reversals should they occur. For project's subject to permanence risk, a risk rating is assessed during the validation process and an associated number of credits withheld for each year to create a buffer account.
- *Verified.* The emission reductions or removals from the project should be monitored, reported and verified by a qualified, independent third-party, a 'validation and verification body' ("**VVB**"), in accordance with the applicable Standard(s).
- *Leakage accounted for and minimized*: The carbon credit project should not lead to an increase in emissions elsewhere, or safeguards must be in place to monitor and mitigate any increase that occurs (e.g., leakage deductions from the emission reductions measured).

- *Do no net harm*: Projects should not violate laws, regulations or treaties and environmental and social safeguards must be in place to minimize detrimental effects.

The Integrity Council for the Voluntary Carbon Market ("**ICVCM**"), which was formed to carry on the work of the private sector-led initiative the Taskforce on Scaling Voluntary Carbon Markets, was tasked with the establishment of the CCPs, a set of threshold standards to set a global benchmark for carbon credit quality in the voluntary market. On July 27, 2023, the ICVCM released its CCPs and its assessment framework for carbon-crediting programs and methodologies. ICVCM's CCPs and assessment framework intends to set new threshold standards for high-integrity carbon credits, provide guidance on how to apply the CCPs, and define which carbon crediting programs and methodology types are CCP-eligible. The new threshold standards are in line with the 1.5°C goal of the Paris Agreement to facilitate reducing and removing emissions above and beyond what would otherwise be possible while avoiding negative environmental and social side effects. The ICVCM is currently assessing more than 100 active carbon credit methodologies for adherence to the CCPs with the aim of announcing the first decisions by the end of March 2024. Programs that meet the criteria will be able to use the CCP label on existing and new credits from categories that have also been approved.

Project Registration & Development Process and Verification

Carbon Accounting Methodologies

One of the major roles of a Standard Body is to outline approved carbon accounting methodologies for carbon credit generation. The carbon accounting methodology is applied to quantify GHG emission reductions and / or removals. The methodology applied during the initial project design stage will directly influence the duration of the crediting period for the project as well as expected annual carbon credit generation.

The project partner is responsible for, among other things, selecting a methodology that is appropriate for the project, making sure the project conforms to the requirements of the methodology, engaging in the registration process with the applicable Standard Body, and cooperating in the verification process, which typically occurs annually, to ensure that initial assumptions were correct and emission reductions or removals have occurred so that credits can be issued over the life of the project.

Registration and Development

In order for a project to be registered with the applicable Standard Body the project partner is required to submit a comprehensive package which defines project activities, such as implementation plans and costs; stakeholder consultations; the carbon accounting methodology for quantifying GHG emission reductions and removals; estimations of the emission reductions and removals according to this methodology; and documentation supporting appropriate usage of the methodology. Examples of project activities include avoiding or deterring deforestation; reforestation planting activities; construction of biochar or other engineered facilities to capture GHG from the atmosphere; the manufacture, distribution and documentation of fuel-efficient cookstoves; or any other activity that leads to GHG emission reductions or removals.

Project Validation and Monitoring, Reporting and Verification for Credit Issuance

Once a project is registered with the applicable Standard Body, it is required to be monitored and reviewed by independent auditors before credits are issued which may occur annually, quarterly or otherwise depending on the applicable Standard and the methodology. Projects carry out the expected activities, and at the end of each monitoring period, these activities are compared with the activities outlined in the Project Documents by an independent auditor. The project partner completes a monitoring report and the auditor assesses this monitoring report through a desktop review and a site visit. The auditor then issues a report verifying that the project has met all requirements outlined by the applicable Standard and has correctly calculated and reported actual net GHG emission reductions or removals achieved during that monitoring period. Once emission reductions or removals have been independently verified by the applicable Standard Body, credits are then issued by its Registry to the project partner or as instructed by the project partner. Generally, credits are verified and issued six to 12 months following the completion of each monitoring period. This process typically continues on approximately an annual basis, so that batches of credits are issued once per year and cover the recently completed monitoring period. Under most Standards, credits are assigned a vintage, which often corresponds to the year in which the associated emission reduction or removal occurred (the "**Vintage**"). For newly verified projects, the initial issuance of credits will often incorporate multiple Vintages to capture historical emission reductions or removals, due to the nature of the initial validation and verification processes. Once issued by the applicable Standard Body, credits are available for sale to end-users or other market participants.

Co-Benefits

Co-Benefits Accreditation

Projects can also achieve additional accreditation under other assessment standards (which are not carbon accounting standards) such as the SD VISta Standard, CCB Standards and SocialCARBON. Co-Benefits for projects registered under Gold Standard are verified by the standard as part of the broader credit verification process. When applied to carbon projects, Co-Benefit accreditation allows carbon credits to be differentiated based on their underlying positive social, biodiversity and sustainability impacts. For example, the SD VISta Standard assesses the sustainable development benefits of a project based on the 17 UN SDGs and the CCB Standards identifies land use projects (such as afforestation, reforestation, REDD+ and agriculture) that simultaneously contribute to addressing climate change, supporting local communities and small landholders, and preserving biodiversity and SocialCARBON is a framework developed in Brazil by the Ecológica Institute, to monitor social, environmental and economic Co-Benefits through 18 indicators. SocialCARBON recently announced that it is seeking to become a full standard for nature-based projects and will only certify Co-Benefits for projects issuing carbon credits under its standard. As a result, projects using SocialCARBON will transition to alternate Co-Benefit standards for future issuances and it is expected that the majority will transition to the CCB Standards.

Co-Benefits Overview

The Co-Benefits that a project contributes or expects to contribute are considered by the Company when deciding whether to enter into a stream, royalty or other arrangement with a project partner. Typically, the Co-Benefits form part of the documentation submitted to the applicable Standard Body but there is no obligation to receive accreditation. The Company receives updates on the progress that project partners are making towards achieving the Co-Benefits. For comparison purposes the Company and its partners map Co-Benefits to the UN SDGs because they are widely recognized. The Co-Benefits (identified with reference to the UN SDGs) that each project contributes to or is expected to contribute to, are set out in the table below. See "*Overview of the Company's Carbon Credit Projects*" for additional information about the Co-Benefits.

Project Impact Highlights (UN SDGs)[(1), (2)]

Stream / Royalty[3]	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Rimba Raya[4]	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•
Magdalena Bay Blue Carbon[5]			•	•	•			•					•	•	•		•
Cerrado Biome[6]	•	•		•	•			•					•		•		•
Sustainable Community (2 Projects)[7]									•	•	•	•	•				•
Community Carbon (7 Projects)[8]	•		•		•	•	•	•				•	•		•		
Nalgonda Rice Farming[9]	•	•						•				•	•				•
Sheep Creek Reforestation[10]								•					•	•	•		
Feather River Reforestation[10]								•					•	•	•		
Baccala Ranch Reforestation [10]								•					•	•	•		
Bonobo Peace Forest (2 Projects)[11]	•	•	•	•	•			•				•	•		•		
Amazon Portfolio (4 Projects)[12]	•	•	•	•	•	•		•				•	•		•		

Notes:

(1) Identifies Co-Benefits (with reference to the UN SDGs) each project contributes or is expected to contribute to.

(2) (1) No Poverty, (2) Zero Hunger, (3) Good Health and Wellbeing, (4) Quality Education, (5) Gender Equality, (6) Clean Water and Sanitation, (7) Affordable and Clean Energy, (8) Decent Work and Economic Growth, (9) Industry, Innovation and Infrastructure, (10) Reduced Inequalities, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production, (13) Climate Action, (14) Life Below Water, (15) Life on Land, (16) Peace, Justice and Strong Institutions and (17) Partnership for the Goals.

(3) There is currently no Co-Benefit standard to certify Biochar projects. In addition to emission avoidance activities, Biochar projects typically create Co-Benefits such as increasing fertility and crop growth when incorporated into the soil. Based on project activities and anticipated benefits of Biochar projects, the projects under the Waverly Biochar Stream and the Enfield Biochar Stream have identified SDGs in addition to (13) Climate Action, that they may contribute to including (7) Affordable and Clean Energy, (9) Industry, Innovation and Infrastructure and (12) Responsible Consumption and Production, and will provide the Company with updates on the status and activities associated with these SDGs as part of their quarterly reporting requirements.

(4) Outcomes for issued credits have been verified under SD VISta Standard and CCB Standards. The project expects to continue to monitor and certify Co-Benefits under SD Vista and CCB Standards.

(5) Plans to certify Co-Benefits under CCB Standards and the SD VISta Standard.

(6) Credits issued in January 2023 were validated under SocialCARBON and are waiting verification of outcomes. The project intends to seek Co-Benefit accreditation under CCB Standards for future issuances.

(7) Project is not currently seeking accreditation of Co-Benefits from a standard but has identified the SDGs that the project expects to contribute to, monitors progress and provides disclosure on the project website regarding such progress.

(8) Six projects are registered under Gold Standard which verifies Co-Benefits. The remaining project which is registered under Verra plans to certify Co-Benefits under the SD VISta Standard. Cookstove projects have not identified contributions or expected contributions to SDG 6 and water purification projects have not identified contributions or expected contributions to SDG 7.

(9) Project is not currently seeking accreditation of Co-Benefits from a standard but has identified the SDGs that the project expects to contribute to and will provide the Company with updates on the status and activities associated with these SDGs as part of their quarterly reporting requirements.

(10) Projects are not currently seeking accreditation of Co-Benefits from a standard but has identified the SDGs that the project expects to contribute to and will provide the Company with updates on the status and activities associated with these SDGs as part of their quarterly reporting requirements.

(11) Both projects plan to certify Co-Benefits under CCB Standards.

(12) Credits issued in September 2022 and January 2023 were certified under SocialCARBON.

Other Information Relating to the Company's Business

Specialized Skills and Knowledge

The Company's business requires professionals with skills and knowledge in diverse fields of expertise. The management team, Board and advisors have strong backgrounds in the areas of carbon markets, forest management and development, carbon credit projects, as well as extensive relationships and networks in their respective industries. As the carbon markets continue to grow and evolve and the Company implements its strategy, the Company will continue to rely on its personnel. See "*Risk Factors – Dependence upon Key Management*".

Sustainability

The Company is committed to operating in a sustainable manner to create long-term value for our stakeholders and recognizes the importance of a strong Environmental, Social and Governance ("**ESG**") framework to support this goal.

The Company has a robust governance structure and has adopted a comprehensive set of corporate policies, including a Code of Business Conduct and Ethics (the "**Code**"), which reflects its commitment to this standard. A copy of the Code can be found on the Company's website at www.carbonstreaming.com. The Company is committed to upholding the values set out in its Code and conducting business fairly, with integrity and in compliance with applicable laws. It also has an Anti-Bribery and Anti-Corruption Policy and an Anti-Money Laundering/ Anti-Terrorist Financing/ Sanctions Policy to reinforce the Code.

In addition, the Company has an ESG Policy, which articulates the environmental, social and governance standards for management, and has created an impact investing policy which articulates the Company's approach to allocation of capital, focusing on projects that have a positive impact on the environment, local communities, and biodiversity. The investment committee, comprised of senior management, the Board and advisors, assists the Company in making decisions when deciding where to allocate its capital. The investment committee reviews proposed transactions identified by management and makes recommendations regarding such transactions to the Board. At present, the committee is comprised of the following individuals: Kristen Kleiman (Chair), Maurice Swan, Candace MacGibbon, Jeanne Usonis and Justin Cochrane with other members added on an ad hoc basis. See "*Description of the Business — Sustainability Impact*". The Company took steps to further develop its ESG framework in 2022 by engaging sustainability consultants to conduct a materiality assessment with senior management to align high-priority ESG topics and assist in calculating a GHG footprint for Scopes 1, 2 and partial 3 emissions. In 2022, the Company offset five times its calendar year 2022 emissions through the retirement of 245 carbon credits from our portfolio. While the Company does not have any contractual obligation to offset its own emissions, consistent with the Company's mission and public commitment to the acceleration of a "net-zero" future and focus on financing the fight against climate change, the Company voluntarily elects to offset its own carbon emissions – as do the many other leading corporations who similarly acquire and retire carbon credits from the voluntary carbon market for this purpose. The Company may continue to voluntarily elect to offset its own carbon emissions through retiring carbon credits received (or otherwise purchased).

Given the decades long relationship that may result from a carbon credit stream, the Company believes it is vitally important to align with project partners who share our goal to be instrumental in the transition to a sustainable, net-zero future. In deciding where to allocate our capital, we strive to make a sustainable impact beyond the reduction or removal of GHG emissions by looking for projects with Co-Benefits. For example, in connection with entering into the Community Carbon Stream, the Company agreed to donate a portion of the Community Carbon portfolio's carbon credit sales revenue over the life of the stream. See *"– Overview of the Company's Carbon Credit Projects"*.

Carbon Streaming is also a voluntary participant in the UN Global Compact, a non-binding United Nations pact to get businesses and firms worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The Company is in good standing and has committed to annually submitting a Communication on Progress, the first of which was due in Q1 2024.

Governance

The Board currently consists of five directors, a majority of which are independent. See "*Directors and Officers*". The Board currently has three committees: the Audit Committee, the Compensation Committee and the Corporate Governance, Nominating & Sustainability Committee (the "**CGNSC**").

The Board, directly and through its standing committees, works with management to develop fundamental policies and establish strategic objectives that preserve and enhance the sustainability of the business and value of the Company. The Board, through the CGNSC, has oversight of environmental, social and governance matters including evaluating and assessing the performance and effectiveness of the Company's ESG policies and procedures, overseeing the Company's charitable donation and community involvement initiatives, reviewing the Company's strategies related to ESG disclosure, reviewing the corporate governance guidelines and principles, and reviewing the structure, composition and mandate of the Board and its committees.

Emerging Market Considerations

The Company has entered into streaming and royalty agreements in respect of carbon credit projects located in Indonesia, Africa (the DRC, Malawi, Mozambique, Tanzania, Uganda and Zambia), India, Mexico, and Brazil, each of which may be considered to be an emerging market jurisdiction, and intends to continue to evaluate and potentially make future investments in other carbon credit projects located and operating in emerging market jurisdictions. However, the operations of the Company are predominantly conducted in Canada, and the minute books and corporate records of the Company are maintained at the Company's registered and head offices in Vancouver, British Columbia, Canada and Burlington, Ontario, Canada, respectively.

Each of the Company's executive officers and a number of its directors have significant experience as a senior manager, an executive officer, a director and/or an advisor to/of entities operating in emerging market jurisdictions. The Company provides directors, officers and employees with ongoing information with respect to the Company's carbon credit streams and royalties linked to projects located in emerging jurisdictions, its financial situation, strategic planning, governance practices, local business customs and significant differences in legal regulatory structures in jurisdictions in which it invests or is proposing to invest. In addition, the Company retains local counsel to provide specific advice with respect to local laws and regulations, and senior management or consultants of the Company have visited certain projects and will continue to endeavour to visit key carbon credit projects in which the Company has invested or intends to invest in that are located and operating in foreign jurisdictions. For additional information associated with the risks of investing in carbon credit streams and royalties with counterparties and projects located in emerging market jurisdictions, see "*Risk Factors – Foreign operation and political risk".*

Employees

As of the date of this AIF, the Company had fourteen (14) employees. The Company also employs a number of consultants from time to time to assist with various aspects of the administration of its business.

Bankruptcy and Similar Procedures

The Company has not been the subject of bankruptcy, receivership or similar proceedings (voluntary or otherwise) in the three most recently completed financial years or during or proposed for the current financial year.

Reorganizations

In 2023, the Company announced a series of restructuring initiatives with the goal of ensuring the Company's competitiveness and long-term sustainability, while focusing on optimization of cash reserves (the "**Restructuring**").

Cost reduction measures implemented to date include personnel reductions, a sub-lease of the Toronto office space and other expense optimizations and a decrease in the size of the Board. In addition, in November 2023, a strategic alternatives review process was initiated, with the Board forming a special committee comprised of non-executive independent Directors to assist with oversight of the review.

As part of the Restructuring, the Company has also been actively involved in reviewing its existing carbon credit stream and royalty portfolio to recalibrate its agreements in light of evolving voluntary carbon market conditions, including an increased focus on carbon removal credits and North American based projects. To date, the Company has amended the terms of the Nalgonda Rice Farming Stream, Waverly Biochar Stream, the Magdalena Bay Blue Carbon Stream and the Sheep Creek Reforestation Stream.

RISK FACTORS

An investment in the Company's securities is subject to various risks and uncertainties, including those set out below, under the heading "*Forward-Looking Information*" and elsewhere in this AIF. Such risks and uncertainties should be carefully considered by an investor before making any investment decision. If any of the possibilities described in such risks actually occurs, the Company's business, financial condition and operating results could be materially adversely affected. Investors should carefully consider the risks and uncertainties described below as well as the other information contained in this AIF. The risks and uncertainties described below are not the only ones the Company may face. The following risks, together with additional risks and uncertainties not currently known to the Company or that the Company may deem immaterial, could impair the Company's business, financial condition and results of operations. The market price of the Common Shares or Warrants could decline if one or more of these risks and uncertainties develop into actual events, and investors may lose all or part of their investment.

Commodity and Currency Risk

Fluctuating price of carbon credits

The Company's business is strongly affected by the market price for carbon credits in the voluntary carbon markets, the price of which has fluctuated significantly over the past several years. If the market price of carbon credits were to drop and the prices realized by us were to decrease significantly and remain at such a level for any substantial period, our profitability and cash flows would be negatively affected, and thus impact the trading price of the Common Shares and Warrants.

Factors which affect the market price of carbon credits are numerous, many of which are beyond our control. These factors include, but are not limited to, changing demand from credit end-users, political developments, including heightened awareness of net zero commitments and calls for climate action such as those linked to United Nations Climate Change Conferences and/ or other multilateral initiatives, speculative activity from the investor community, changes in energy prices and general economic conditions (including the wider global economic slowdown and recent negative general economic sentiment). In the future, prices may continue to fluctuate based on general economic, political, or regulatory conditions, including the level of commitment to the goals of the Paris Agreement by both governments and corporations and other private and public initiatives aimed at reducing GHG emissions. Furthermore, the escalation of geopolitical tensions impacts carbon credit demand and could have a broader impact on the Company's business activities, which could adversely affect its business, the economic conditions under which the Company operates, and its counterparties.

Changes in government priorities and regulation as a result of government deficits or as a result of changes in the prevailing views concerning the impact of GHGs on climate change could also adversely affect the demand for carbon credits and thereby their price. Interpretation and enforcement of environmental legislation will vary by country and is subject to sudden change. Carbon credit prices will also be influenced by infrastructure and technological advances in reducing and sequestering GHG emissions and the economics associated with those activities.

There can be no assurance that continual fluctuations in the price of carbon credits will not occur. In addition, the price for a carbon credit varies according to its project type, project location, Vintage, accreditation and additional social and environmental attributes. It is likely that the market price for the Company's carbon credits will be subject to the broader market trends and the particular attributes of the Company's carbon credits. While the Company seeks to mitigate these risks by acquiring streams and credits from diversified projects (by geography, project type and Standard), the price of carbon credits (individually or in the aggregate) and thus our profitability and cash flows, will continue to be impacted by these factors.

Reduced demand for carbon credits

The Company's business is strongly affected by the demand for carbon credits in the voluntary carbon markets, which has fluctuated significantly over the past several years. The demand for carbon credits can be adversely affected by any number of factors, including but not limited to the implementation of lower emission infrastructure, an increase in the number of projects generating carbon credits, invention of new technology that assists in the avoidance / reduction or sequestration / removal of GHG emissions, increased use of alternative fuels, a decrease in the price of conventional fossil fuels, increased use of renewable energy, and the implementation and operation of carbon pricing initiatives such as carbon taxes and ETSs. There can be no assurance that carbon pricing initiatives or compliance or voluntary carbon markets will continue to exist. Carbon pricing initiatives may be subject to policy and political changes and, may otherwise be diminished, terminated or may not be renewed upon their expiration.

In addition, the demand for carbon credits, particularly in the voluntary markets, is driven by the social and political will to reduce GHG emissions globally. Without such social and political will, the marketplace for carbon credits would cease to exist and there would be no place for the Company to buy and sell carbon credits. Even if such marketplaces still exist, without the social and political will to reduce GHG emissions, the price of carbon credits may fall to an unsustainably low price, preventing profitability of the Company. Carbon credits may fall out of favour and no longer be saleable at prices the Company expects or at all. Additionally, should there be reduced demand for carbon credits, the timing to sell carbon credits may extend beyond the 12-month period following issuance for which the Company expects to sell the carbon credits.

Lack of liquidity of carbon markets

Carbon markets, particularly the voluntary markets, are still evolving and there are no assurances that the carbon credits purchased by the Company or generated by the projects under the Company's streams, royalties or investments will find a market. The carbon credit market, particularly the voluntary markets, have experienced high levels of volume volatility. There is, or there may be in the future, a lack of liquidity for the purchase or sale of carbon credits. We may not be able to purchase or sell the volume of carbon credits we desire in a timely manner or at an attractive price. The pool of potential purchasers and sellers is limited, and each transaction may require the negotiation of specific provisions. Accordingly, a purchase or sale may take several months or longer to complete. In addition, as the supply of carbon credits is limited, we may experience difficulties acquiring or otherwise purchasing carbon credits. The inability to purchase and sell on a timely basis in sufficient quantities could have a material adverse effect on the Company's profitability and cash flows.

Liquidity/Financial Risk

Liquidity concerns and future financing requirements

The Company had negative cash flow from operations for the financial year ended December 31, 2023. It is likely the Company will continue to operate at a loss until we are able to realize cash flow from the sale of carbon credits delivered under our streaming agreements or payments received under our royalties. We may require additional financing in order to fund our business, business expansion, and/or negative cash flow. The Company's ability to arrange such financing in the future will depend in part upon prevailing capital market conditions, as well as our business success. There can be no assurance that we will be successful in our efforts to arrange additional financing on terms satisfactory to us, or at all. If additional financing is raised by the issuance of Common Shares from treasury, control of the Company may change, and Shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, we may not be able to operate our business at its maximum potential, to expand, to take advantage of other opportunities, or otherwise remain in business.

Foreign exchange rates

Streams and carbon credits are typically acquired in U.S. currency. However, the Company currently pays certain operating expenses and has its securities listed on an exchange in Canadian currency. Although the Company's functional currency is U.S. dollars, fluctuation in the U.S. currency exchange rate relative to the Canadian currency could negatively impact the value of the securities. The acquisition of streams and investment in carbon credits and/or equity securities denominated in a currency other than Canadian currency will be affected by the changes in the value of the Canadian dollar in relation to the value of the currency in which the stream, carbon credit or security is denominated. Because exchange rate fluctuations are beyond our control, there can be no assurance that such fluctuations will not have an adverse effect on the Company's operations or on the trading value of the Common Shares or Warrants.

Risks Relating to the Company's Business

Limited operating history for the Company's current strategy

Prior to 2020, the Company had no record of operating under a business strategy with a focus on carbon credits. As such, the Company is subject to all business risks and uncertainties associated with starting a new business, including the risk that the Company will not achieve its financial objectives as estimated by its management.

The nature of our business is highly speculative and there is a consequent risk of loss of an investor's entire investment. The success of the Company's activities will depend on management's ability to implement its strategy and on the availability of opportunities related to carbon credit streaming and royalty agreements and GHG emission avoidance, reduction and sequestration programs; government regulations; commitments to reduce or compensate for GHG emissions by corporations, organizations and individuals; and general economic conditions. Although management is optimistic about the Company's prospects, there is no certainty that anticipated outcomes and sustainable revenue streams will be achieved and there is no certainty that the Company will successfully implement its current strategy.

Future acquisitions

As part of our business strategy, we may seek to grow by entering into or acquiring streaming, royalty or royalty-like arrangements or acquiring or investing, in the form of equity, debt or other forms of investment, in carbon credits or entities, assets or properties involved in the origination, generation, monitoring, or management of carbon credits or related businesses. Failure to expand may have a material adverse effect on the Company's business, financial condition and results of operations.

In pursuit of such opportunities, the Company may fail to identify or select appropriate acquisition targets, or negotiate acceptable arrangements, including arrangements to finance its activities. The Company may be unable to identify or select appropriate targets in the numbers or at the pace it currently expects for a variety of reasons, including, among other things, the following: (i) the demand for carbon credits failing to develop sufficiently or taking longer than expected to develop; (ii) issues related to identifying, engaging, contracting, compensating and maintaining relationships with developers or owners of projects or negotiate agreements; (iii) issues related to the verification and validation of carbon credits, construction, permitting, the environment, and governmental approvals with respect to projects that generate carbon credits; (iv) a reduction in government incentives or adverse changes in policy and laws with respect to carbon credits; (v) competition for the projects the Company wishes to invest in; and (vi) other government or regulatory actions that could impact the Company's business model.

For any acquisitions, such transactions involve inherent risks, including but not limited to: accurately assessing the value, strengths, weaknesses, contingent and other liabilities and potential profitability of an acquisition target; ability to achieve identified and anticipated operating and financial synergies; unanticipated costs; diversion of management attention from existing business; potential loss of our key employees or key employees of any business acquired; unanticipated changes in business, industry or general economic conditions that affect the assumptions underlying the acquisition; and decline in the value of acquired assets, companies or securities. Any one or more of these factors or other risks could cause us not to realize the anticipated benefits of an acquisition of assets or companies and could have a material adverse effect on our financial condition. We may not effectively select acquisition targets or negotiate or finance acquisitions or integrate the acquired businesses and their personnel or acquire assets for our business. We cannot guarantee that we can complete any acquisition we pursue on favourable terms, or that any acquisition completed will ultimately benefit our business.

Concentration risk

The business of the Company is to acquire or invest in the form of equity, debt or other forms of investment, in carbon credits or entities, assets or properties involved in the origination, generation, monitoring, or management of carbon credits or related businesses and to market and sell carbon credits. Given the concentration of the Company's exposure to carbon credits, the Company's business will be more susceptible to adverse economic or regulatory occurrences affecting carbon credits and carbon markets than other more diversified companies or an investment fund that holds a diversified portfolio of securities.

Further, although the Company has entered into carbon credit streaming and royalty agreements related to over 20 projects around the world, it has significant financial exposure to the Rimba Raya project, which as at December 31, 2023, made up a significant portion of our stream and royalty assets. Any adverse development affecting the development and operation of the project associated with a specific stream or royalty may have a material adverse effect on our near-term profitability, financial condition and results of operations. While the Company's intention is to enter into stream arrangements and investments in a large number of carbon credits with exposure to a wide variety of projects, jurisdictions and attributes, it will take time to attain such diversification. Until further diversification is achieved, the Company will continue to have a significant portion of its assets dedicated to a select number of carbon credit projects, and businesses related to carbon credits.

Inaccurate estimates of growth strategy

Market opportunity estimates and growth strategies are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate, and as such the estimates of growth included in this AIF may prove to be inaccurate and may not be indicative of future growth. As the stream and royalty funding model is relatively new in the carbon credit industry, it may not gain acceptance, or experience widespread growth, as anticipated.

From time to time, the Company publicly discloses its current streaming opportunity pipeline, which represents an estimate by management based on potential transactions which remain under various states of non-binding proposal and/or negotiation by the Company. There can be no assurance that the Company will be able to enter into definitive agreements for, or otherwise complete the acquisition of, all or any investment identified in any streaming opportunity pipeline publicly disclosed by the Company from time to time. While the Company's estimate of the total addressable market included in this AIF was made in good faith and is based on assumptions and estimates the Company believes to be reasonable, this estimate may not prove to be accurate. Further, even if the estimate of market opportunity and growth strategy does prove to be accurate, the Company could fail to capture a significant portion, or any portion, of the available market.

The Company's expected carbon credit volumes to be received (which may include carbon credits covered under streaming agreement, credits that are subject to stream participation rights, and associated marketing and sales arrangements) are estimated based on forecasts provided by project partners, estimates contained in Project Documents, historical carbon credit generation by the project and/or the

Company's estimates, and actual volumes generated and/or received by the Company may vary.

Dependence upon key management

The Company is dependent upon the continued availability and commitment of its key management, whose contributions to the current and future operations of the Company are of significant importance. The loss of any such members could negatively affect business operations. From time to time, the Company will also need to identify and retain additional skilled management and specialized technical personnel to efficiently operate its business. The number of persons experienced in carbon markets and the origination, registration, selling and trading of carbon credits is limited, and competition for such persons can be intense. In addition, the number of persons skilled in structuring streams and royalties is limited. Recruiting and retaining qualified personnel is critical to the Company's success and there can be no assurance of such success. If the Company is not successful in attracting and training qualified personnel, the Company's ability to execute its business model and growth strategy could be affected, which could have a material adverse impact on its profitability, results of operations and financial condition. In addition, although Messrs. Cochrane and Kearns spend significant time with the Company and are highly active in the Company's management, both Messrs. Cochrane and Kearns do not devote their full time and attention to the Company, as Messrs. Cochrane and Kearns also currently serve as President and Chief Financial Officer, respectively, of Nickel 28 Capital Corp.

Impact of the Restructuring

Pursuant to the publicly announced Restructuring, the Company has continued to implement a series of initiatives intended to reduce costs across the organization. The resulting adjustments to personnel and resources as part of the Restructuring may, among other things, result in unanticipated operational issues, expenses and liabilities. While the Restructuring has reduced the Company's operating costs to date, the Company cannot be certain that the changes implemented pursuant to the Restructuring will be successful or sustainable over the long-term, and that the Company may be required to implement additional actions in the future to further restructure its business and operations in order to operate in a cost-effective manner.

Reputational risks

The Company's business, operations or financial condition may be negatively impacted because of changing public opinion towards the voluntary carbon markets, the types of projects the Company invests in, the Company, project partners, or as a result of any negative sentiment toward, or in respect of, the Company's reputation with stakeholders, special interest groups, political leadership, the media or other entities. Public opinion may be influenced by certain media and special interest groups' negative portrayal of the voluntary carbon markets as well as their opinions on certain projects, including REDD+ and cookstove projects.

Potential impacts of negative public opinion or reputational issues may include legal or regulatory actions or challenges, increased regulatory oversight, reduced support for the projects in which the Company has streams or royalties and/or demand for certain types of credits. In addition, such negative public opinion may result in delays in, challenges to, or the revocation of regulatory approvals, permits and/or licenses and increased costs and/or cost overruns for the projects in which the Company has streams or royalties. Reputational risk cannot be managed in isolation from other forms of risk. Credit, market, operational, insurance, regulatory and legal risks, among others, must all be managed effectively to safeguard the Company's reputation. Damage to the Company's reputation could result in negative investor sentiment towards the Company, which may result in limiting the Company's access to capital, increasing the cost of capital, and decreasing the price and liquidity of the Company's Common Shares and Warrants.

Carbon Credit Industry Risk

Registration, validation, verification, cancellation and other risks associated with carbon credit standards and registries

Carbon credits represent emission reductions or removals produced by carbon projects which are registered, validated and verified by Standard Bodies. The processes for registration, validation and verification require review and approval by Standard Bodies and the timing of such review and approval is outside the control of the Company. The methodologies used by Standard Bodies in the registration, validation and verification of carbon credits are also subject to change by the Standard Bodies and are outside of the Company's and the project partner's control. See the risk factor "*Methodologies relating to future carbon credit projects may change over time*."

Due to the increased development of new carbon credit projects and resulting capacity restrictions within Standard Bodies, the timing of the issuance of carbon credits may take longer than expected and is not within the Company's control. Any delays in the verification and/or issuance of carbon credits will cause a delay in delivery of carbon credits by project partners to the Company, which correspondingly could result in a delay in the ultimate sale of such credits by the Company. Such timing issues and delays could therefore result in a material and adverse effect on our profitability, results of operation and financial condition.

In addition, the timing of delivery of carbon credits is subject to external factors, including but not limited to, the development of projects and receipt of government approvals. See the risk factors "C*arbon credit generation may be impacted by local legislation, regulations and/or direct government intervention" and* "*Dependence on third party project developers, owners and operators*".

Carbon credit generation may be impacted by local legislation, regulations and/or direct government intervention

The ability for a project to generate carbon credits and to deliver such credits to the Company may be impacted by the implementation of any national or international laws, treaties or regulations by governmental entities and/or any adverse changes to existing governmental policies with respect to carbon credits (including, without limitation, any changes to NDCs under the Paris Agreement or any other national or international initiatives). NDCs under the Paris Agreement form part of each participating country's climate action plan to cut emissions and adapt to climate impacts, and are a key element for achievement of the Paris Agreement's long-term goals. The Paris Agreement requires each participating country to prepare, communicate and maintain successive NDCs that it intends to achieve. Each participating country then must pursue domestic mitigation measures, with the aim of achieving the objectives of such contributions. While countries have set NDC targets (which are updated every five years), there are various means by which countries plan to achieve these targets. Importantly, typically a country's mitigation plan is multifaceted, and includes adaptation and mitigation programs to reduce GHG emissions, as well as investing in programs to transition to a low carbon future.

For example, during 2022 the Indonesian government temporarily paused validation and verification of carbon credits from projects located in the country on the Verra Registry (and other international registries) as it sought to finalize its national carbon policy. While further regulations are being developed, these new regulations currently state that carbon credits can only be released for international transfer upon the applicable sub-sector NDC targets having been met for two consecutive years. Also see "*Description of the Business – Overview of the Company's Carbon Credit Projects – Rimba Raya Stream and Project Overview*" as well as the risk factors "*Fluctuating price of carbon credits*", "*Foreign operation and political risk*" and "*Regulatory change*".

Accordingly, the regulatory environment for carbon credits is in a state of continuing change, and new laws, regulations and requirements may be implemented and retroactive in their effect. As countries develop their plans to meet their Paris Agreement commitments (including NDCs), new legislation and regulations may be implemented as a result, and if countries in which projects are located adopt such measures, there is a risk that any such changes may impact the projects in which the Company has a stream or other interest, including the timing of credit issuance, delivery under a stream and number of credits available for international sale.

In addition, the regulation of climate change and carbon credits is a sensitive political issue in countries in which the Company has an interest in a stream or an investment, and as a result there is also a risk of direct or indirect government intervention in matters pertaining to the generation and delivery of carbon credits. Such intervention could extend to governments nationalizing, seizing or expropriating historical or future carbon rights, carbon credits and/or carbon project property, terminating and/or invalidating land concessions or carbon rights agreements, or other actions that could effectively deprive the Company (either directly or indirectly) of the benefit of its interests in its streams or investments (including through the grant to third parties of rights that conflict with a project's right to claim any benefit arising from emission reductions or removals and/or carbon credits generated by a project). Any such nationalization, expropriation or similar action may, in most cases, obligate a government to pay just compensation. However, even if a party could or did obtain compensation in such a circumstance, there could be no guarantee that the compensation paid would ultimately be paid to the Company or represent the Company's view as to the full value of any asset lost.

Any of the foregoing matters or occurrences could have a material adverse effect on a carbon credit project, including the volume of carbon credits which a project can generate and/or deliver to the Company, and could result in a material and adverse effect on our profitability, results of operation and financial condition. Also see the risk factor *"Foreign operation and political risk"*.

Foreign operation and political risk

The Company's streaming, royalty and other agreements may be focused on a particular country, countries, or region and therefore may be susceptible to adverse market, political, regulatory, and geographic events affecting that country, countries or region. A significant proportion of the Company's current streams and royalties are on projects that are located outside of North America, and some are in jurisdictions which may be considered an emerging market jurisdiction such as Indonesia, Africa (the DRC, Malawi, Mozambique, Tanzania, Uganda and Zambia), India, Mexico, and Brazil. Such geographic focus also may subject the Company and its streaming or royalty agreements to a higher degree of volatility including economic and political developments.

Risks the Company may face with respect to any country where current or future streams or investments of the Company may be located, include unforeseen government actions, acts of god, terrorism, hostage taking, military repression, extreme fluctuations in currency exchange rates, high rates of inflation, labour unrest, the risks of war or civil unrest, expropriation and nationalization, renegotiation or nullification of existing concessions, licenses, permits and contracts, changes in taxation policies, restrictions on foreign exchange and repatriation, and changing political conditions, currency controls, export controls, governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction or particular party, or other events, and other government or industry policies.

A government with jurisdiction over a carbon credit project may also make changes in policies in relation to the reduction or removal of GHG emissions, the ownership and transferability of carbon rights and/or carbon credits, introduce quota systems, or impose restrictions on the export or re-sale of carbon credits, all of which may negatively impact the Company and its streams, royalties or investments.

Through the Company's streaming agreement with InfiniteEARTH, the Company has an increased exposure to Indonesia country risk. The Company may be adversely affected to varying degrees by political instability, government regulations relating to the carbon credit industry and foreign investment therein. Specifically, Indonesia held its presidential election in February 2024 in which Prabowo Subianto, who based on the unofficial quick count results, won the election. The elected president and new administration will be sworn in later this year. With this regime change, regulations, timing and implementation of rules may be impacted. Any changes in regulations or shifts in political conditions are beyond the Company's control and may adversely affect its business.

Although the Company's streaming agreement with InfiniteEARTH is governed under Canadian law, the Rimba Raya project is located in Indonesia and therefore subject to risks related to the uncertainty of the interpretation and application of laws and regulations in Indonesia. Indonesia is a civil law system and there is no doctrine of precedent similar to common law jurisdictions. As such, judges have wide discretion to determine matters in Indonesia. Therefore, businesses can become involved in lengthy judicial proceedings. These characteristics of the legal system in Indonesia could expose us to several kinds of risks, including the possibility that effective legal redress may be more difficult to obtain; a higher degree of discretion on the part of the government; the lack of judicial or administrative guidance on interpreting the relevant laws or regulations; inconsistencies and conflicts between and within various laws, regulations, decrees, orders and resolutions; or the relative inexperience or lack of predictability of the judiciary and courts in such matters.

As a typical civil law system, there is limited or no relevant case law providing guidance on how courts would interpret such laws and the application of such laws to a project's concessions, licenses or other arrangements. Even where such case law exists, it lacks the binding precedential value found in the Canadian legal system.

As the umbrella regulation for carbon-related matters in Indonesia is still relatively new and will continue to develop, there may be many implementing regulations to be issued or the government may possibly adopt new laws and/or policies regarding carbon credits and carbon credit trading that differ from the policies currently in place and that adversely impact the cost of doing business in Indonesia. If and to the extent any changes to the current legal and regulatory framework are detrimental to our business and our position, our business, development plans, financial condition and results of operations could be adversely affected. Also see the risk factors "*Registration, validation, verification, cancellation and other risks associated with carbon credit standards and registries"* and "C*arbon credit generation may be impacted by local legislation, regulations and/or direct government intervention"*.

All or any of these factors, limitations, or the perception thereof could impede the Company's activities, result in the impairment or loss of part or all of the Company's interest in a stream, royalty or an investment, or otherwise have an adverse impact on the Company's valuation and price of its securities. See "*Description of the Business – Other Information Relating to the Company's Business*".

Market events and general economic conditions may adversely affect our business, industry and profitability

Adverse events in global financial markets can have profound impacts on the global economy. Many industries and markets, including the carbon markets, are impacted by these market conditions. Some of the key impacts of financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and carbon markets and a lack of market liquidity. Also see the risk factor: "*Fluctuating price of carbon credits*".

A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect our growth and valuation. Specifically, a global credit / liquidity crisis could impact the cost and availability of financing and our overall liquidity; the volatility of carbon credit prices would impact our revenues, profits, losses, cash flow and the value of our carbon credit holdings; and continued recessionary pressures could adversely impact demand for carbon credits and related businesses. These factors could have a material adverse effect on our financial condition and operating results.

Methodologies relating to future carbon credit projects may change over time

In seeking to acquire carbon credits from a growing selection of diversified and high-integrity projects over the long term, the Company's intention is to have all such project(s) validated through a compliance market or by an internationally recognized Standard Body in the voluntary market, such as Verra, the Gold Standard, Puro.Earth, CAR and others. In addition, the associated Co-Benefits of a project may be validated by standards such as the CCB Standards or the SD VISta Standard, both administered by Verra.

As Standard Bodies set the project design, implementation, monitoring, verification and reporting criteria against which a project's GHG emission reductions or removal activities and/or environmental and social Co-Benefits can be certified or verified, there is a risk that they may revise or update their rules and criteria for the registration, validation and verification of carbon credit projects.

These updates or revisions may lead to lower carbon credit estimates under the revised methodology, a loss in credibility and/or trust in the Standard Body which may, in turn, cause reputational risk to project developers and associated parties. Whether or not a project is required to adopt changes to its methodology, a project partner may be voluntarily compelled to adopt methodology changes to address concerns with respect to project methodologies. Standard Bodies may also pause any further validations or verifications in connection with a review of these methodologies.

For example, the timing of delivery of carbon credits under the Nalgonda Rice Farming Stream has been impacted by Verra's pending revisions to rice-specific methodologies, including the inactivation of AMS-III.AU Methodology. In addition, in January 2024, Verra announced that it was inactivating VM0004 Methodology for Avoided Planned Land Use Conversion in Peat Swamp Forests, v2.0 as of January 23, 2024, due to the ongoing development of revised modules and a consolidated methodology for tropical peatland activities. This methodology was historically used by the Rimba Raya project, prior to validation on the SRN.

Any changes to such rules set by Standard Bodies could have an adverse effect on a project's ability to generate carbon credits, generate credits at the volume and quality anticipated in the Project Documents and the timing of future issuances. Concerns regarding existing methodologies may also impact project credibility and the market value of such carbon credits. Any actual or proposed changes to validation/verification requirements of the Standard Bodies could therefore result in a material and adverse effect on the Company's profitability, results of operation and financial condition.

Carbon pricing initiatives are based on scientific principles that are subject to debate

Carbon pricing initiatives, such as ETSs and carbon taxes, and carbon credits have arisen primarily due to relative international and scientific consensus with respect to scientific evidence indicating a correlative relationship between the rise in global temperatures and extreme weather events, on the one hand, and the rise in GHG emissions in the atmosphere, on the other hand. Failure to maintain international consensus may negatively affect the value of carbon credits.

There is no assurance that carbon markets will continue to exist. New technologies may arise that may diminish or eliminate the need for carbon markets. Ultimately, the price of carbon credits is determined by the cost of actually reducing emissions levels. If the price of credits becomes too high, it will be more economical for companies to develop or invest in lower emission technologies, thereby suppressing the demand and adversely affecting the price.

Regulatory risk related to changes in regulation and enforcement of ETSs can adversely affect market behavior. If fines or other penalties for non-compliance are not enforced, incentives to purchase carbon credits will deteriorate, which can result in a fall in the price of carbon credits and a drop in the value of the Company's assets.

Carbon trading may become obsolete

Carbon trading in the compliance carbon markets is regulated by specific jurisdictions pursuant to regional legislation or trading of carbon credits can be voluntary as in the voluntary carbon markets. When regulated (e.g. under the EU ETS and in the WCI (Western Climate Initiative) cap-and-trade programs), governments compel emitters to reduce their GHG emissions through technological improvements or through the purchase of carbon credits. It is an identified risk factor that new legislation may arise in certain jurisdictions that may render the Company's business plan and knowledge obsolete with respect to carbon credits. With respect to the voluntary trade of carbon credits, there is a significant risk that certain voluntary purchasers of carbon credits may elect to cease the purchase of carbon credits for various reasons that are inherent to their business plans, or because of changing economic, political contexts or other conditions that cannot be controlled by the management of the Company. If and to the extent such events materialize, carbon credits may no longer be saleable at prices the Company expects or at all. Also see the risk factors "*Reduced demand for carbon credits*".

Competition

There are many organizations, companies, non-profits, governments, asset managers and individuals that are buyers of carbon credits, or have rights to or interest in carbon credits, and there is currently a limited supply of carbon credits, projects to generate future carbon credits and related opportunities in carbon credits. Many competitors are larger, more established companies with substantial financial resources, operational capabilities and long track-records in carbon markets. The Company may be at a competitive disadvantage in acquiring carbon credits or interests in carbon credits, whether by way of purchases in carbon markets, streams or other forms of investment, as many competitors have greater financial resources and technical staffs. In addition, as the industry matures, new competitors may emerge. Accordingly, there can be no assurance that we will be able to compete successfully against other companies in building a portfolio of carbon credits and carbon credit related businesses. Our inability to acquire carbon credits, streams, royalties and other investments may result in a material and adverse effect on our profitability, results of operation and financial condition.

Project Risk

Due diligence risks

The due diligence process undertaken by the Company in connection with acquisitions, investments or streaming arrangements that it undertakes or wishes to undertake, may not reveal all relevant facts in connection with an acquisition, investment or streaming arrangement. Before making any decision, the Company will conduct, or have independent consultants conduct, due diligence investigations that it deems reasonable and appropriate based on the facts and circumstances applicable to each acquisition, investment or streaming arrangement. When conducting due diligence investigations, the Company may be required to evaluate important and complex business, environmental, financial, tax, accounting, regulatory, technical and legal issues. Outside consultants, legal advisors, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence investigations and making an assessment regarding an acquisition, investment or streaming arrangement, the Company relies on resources available, including information provided by the target of the acquisition or investment, the party(ies) to the streaming arrangement and, in some circumstances, third party investigations. The due diligence investigations that are carried out with respect to any opportunity may not reveal or highlight all relevant facts that may be necessary.

The Company may acquire streams, royalties or other investments in early-stage projects

The development of a carbon credit project is a speculative venture necessarily involving substantial risk. If the Company acquires a stream at the development or pre-delivery phase, there is no certainty that any given project will result in the development of a carbon project and the verification and generation of carbon credits (and in quantities that are economical). Early-stage projects will often need to obtain permits, title or other concessions to own the land and/or related carbon rights. Although substantial benefits may be derived from developing a project, no assurance can be given that a project will be able to obtain or maintain all necessary licenses and permits required for a project. In addition, there can be no assurances that a project will be able to be registered and validated and/or emission reductions or removals will be generated and verified in sufficient carbon credit quantities to justify a financially viable project.

Dependence on third party project developers, owners and operators

Carbon credits received by the Company are derived from projects that are developed, operated or owned by third parties. The original owners or creators of the carbon rights may have transferred their rights to a project developer or other intermediary. In cases where carbon rights have been transferred or assigned to a project partner, Carbon Streaming may not have direct contractual arrangements with the original carbon rights owner. For example, at the Company’s Rimba Raya project, InfiniteEARTH, the operator of the project with whom the Company has its stream agreement, operates the project through a partnership with PT Rimba Raya Conversation, its local partner in Indonesia and the direct legal holder of the concession rights granted by the Indonesian government. As a holder of streams, royalties or other interests, the Company may have little or no input in a project partner's relationships and arrangements with other parties involved in a project. Also see the risk factor "C*arbon credit generation may be impacted by local legislation, regulations and/or direct government intervention"*.

Third parties will also be responsible for determining the manner in which the relevant projects are developed, operated and managed, including decisions that could expand, continue or reduce the number of carbon credits generated and associated Co-Benefits from a project or an asset. The interests of third parties and those of the Company on the relevant properties or assets may not always be aligned. As an example, in some cases, it may be in the interest of the Company to advance development as rapidly as possible in order to maximize the receipt of near-term carbon credits, while third party project developers, owners and operators may, in many cases, take a more cautious approach to development as they are at risk on the cost of development and operations. Project partners also have a fair degree of autonomy when it comes to investing into the local community beyond what is agreed with the communities or set out in the documents submitted to the Standard Body (the "**Project Documents**"). In addition, the quantitative and qualitative data about the impact of any Co-Benefits on the local communities provided by project partners may not provide the Company with sufficient information to assess the overall impact. Further, there can be no assurances that expected Co-Benefits of the projects will ultimately be achieved and/or that existing Co-Benefits will continue. The inability of the Company to directly control the operations of the projects or assets in which it has a stream or other interest may have a material adverse effect on the Company's profitability, results of operation and financial condition.

In addition, there can be no assurance that the Company's partners, as owners, developers and/or operators of such projects, will have the financial, technical or operational resources to complete the development of such projects in accordance with the expectations contained in the Project Documents, or at all. It is also possible that such partners will require additional financing or capital in order for their projects to be successfully developed and/or to continue to generate carbon credits over the life of the Company's agreement. In such circumstances, while the Company is under no contractual obligation to do so, the Company may be asked by its project partners to provide additional capital to these entities and the Company may elect to do so to preserve the value of its stream or royalty. Although the Company undertakes a rigorous due diligence process for every stream or royalty (which includes, among other things, confirmation that a project has long-term financial viability and sustainability for the entire duration of the proposed contract life), the development and operation of carbon credit projects are subject to significant risks and it is possible that the value realized by the Company may be less than the original upfront deposit. Any such financial difficulties encountered by the owners, developers and/or operators of projects in respect of which the Company has a stream or other interest may therefore have a material adverse effect on the Company's profitability, results of operation and financial condition.

Sensitivity to nature and climate conditions

The physical risks of climate change may also have an adverse effect on our business. Physical risks can be event-driven (acute) or longer-term shifts (chronic) in climate patterns. These risks are highly uncertain, are particular to the unique geographic circumstances associated with each project and may have an adverse effect on the Company's projects under its carbon credit streaming and royalty agreements. Extreme weather events have the potential to disrupt the operation of our projects and may require additional expenditures to mitigate the impact of such events.

The projects that the Company enters into carbon credit streaming agreements over and/or otherwise invests in to generate carbon credits are subject to risks associated with natural disasters, which natural disasters could result in temporary or permanent damage to, or destruction of, projects that generate carbon credits. Any such natural disaster could impact the ability of the Company's counterparties to deliver carbon credits to the Company, reduce the number of credits issued or otherwise impair the operations of the project. Therefore, such events could adversely affect the viability of any of the Company's carbon credit streaming or royalty agreements, and may result in a material and adverse effect on our profitability, results of operations and financial condition.

Limited access to data and disclosure

As a holder of streams and other non-operator interests, the Company does not serve as the project developer, owner or operator, and in almost all cases the Company has little to no input into how the project is developed or the operations are conducted. As such, the Company has varying access to data on the operations or to the actual projects themselves. This could affect its ability to assess the value of the streams/royalties or enhance their performance. This could also result in delays in the receipt of carbon credits or royalty payments based on the stage of development of the applicable properties or assets covered by its agreement. In addition, some streams may be subject to confidentiality arrangements which govern the disclosure of information with regard to streams and as such the Company may not be in a position to publicly disclose non-public information with respect thereto. The limited access to data and disclosure regarding the operations of the properties or assets in which the Company has an interest, may restrict its ability to assess the value or enhance its performance which may have a material adverse effect on the Company's profitability, results of operation and financial condition.

The Company prepares estimates, forecasts and outlook of future carbon credit generation from the projects in which the Company holds a stream, royalty or other interests and relies on the information it receives from the project partner and independent experts of the carbon credit projects to prepare such estimates, forecast or outlook. Such information is necessarily imprecise because it depends upon the judgment of the individuals who operate or review the projects. These credit generation profiles and projections are based on existing project plans and other assumptions with respect to the projects which change from time to time, and over which the Company has no control. Any such information is forward-looking and no assurance can be given that such credit generation estimates and projections will be achieved.

Rights of third parties

Some streams, royalties or other agreements may be subject to buy-down right provisions pursuant to which an operator, project partner, or property owner may buy-back all or a portion of the stream; pre-emptive rights pursuant to which parties have the right of first refusal or first offer with respect to a proposed sale or assignment of the stream; or claw back rights pursuant to which the seller of a stream has the right to re-acquire the stream. Holders of these rights may exercise them such that certain streams may not be available for acquisition by the Company or that streams held by the Company may be subject to buy-back rights or first refusal rights on its sale.

Enforceability and effectiveness of secured interest

The Company's rights to delivery/payment under streams, royalties or other interests must, in most cases, be enforced by contract. The Company's ability to collect outstanding streams, royalties or other interests, or obtain equitable relief upon cases of default, might be limited pursuant to such contracts. In the event a dispute arises from the Company's foreign investments, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of courts in Canada. The Company may also be hindered or prevented from enforcing its rights with respect to a governmental entity or instrumentality because of the doctrine of sovereign immunity. Further, any dispute with governmental authorities may also adversely affect the Company's relationship with the government, which could impact the development and operation of current and future projects under the Company's streams, royalties or other interests.

While the Company may often take a security interest over the assets of a project or project partner (including the project's carbon rights agreement or carbon credits held with a Registry), security arrangements may be difficult to realize upon, may not be honoured in the jurisdiction of registration and also may be subordinate, any of which may cause the Company to be at a disadvantage in the event of a default. In addition, the value of the assets secured may have little value, especially if third party, Registry or governmental consents are required to realize on the secured assets. Failure to receive carbon credits / payments under its streams, royalties or other investments, the inability of the Company to effectively enforce its rights against third parties, or termination of the Company's rights, may result in a material and adverse effect on the Company's profitability, results of operations and financial condition.

Legal, Regulatory and Political Risk

Regulatory change

The Company may be affected by changes in regulatory requirements, customs, duties or other taxes in the jurisdictions in which it operates or has assets. Such changes could, depending on their nature, benefit or adversely affect the Company. The costs associated with legal compliance may be substantial. In addition, possible future laws and regulations, changes to existing laws and regulations (including the imposition of higher taxes which have been, or may be, implemented or threatened) or more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expense, capital expenditures, restrictions on or suspension of projects generating carbon credits and planned operations and delays in the development of projects generating carbon credits. Failure to comply with laws and regulations by the Company or by the operators of projects could lead to financial restatements, fines, penalties, loss, reduction or expropriation of entitlements, the imposition of additional local or foreign parties as joint venture partners with carried or other interests and other material negative impacts. Also see the risk factors "***Registration, validation, verification, cancellation and other risks associated with carbon credit standards and registries", "Carbon credit generation may be impacted by local legislation, regulations and/or direct government intervention"*** and ***"Foreign operation and political risk".***

Streams and royalties may not be honoured by project partners or operators of a project

Streams and royalties are largely contractually based and long-term in nature. Parties to contracts do not always honour contractual terms and contracts themselves may be subject to interpretation or technical defects. To the extent grantors of streams and other interests do not abide by their contractual obligations, the Company may be forced to take legal action to enforce its contractual rights. Not all project developers, owners or operators are credit worthy, and some may not stay as a going concern over the life of the stream or royalty. Parties to contracts may also be domiciled outside of North America, and the enforcement of rights may need to occur internationally. Also see the risk factor "***Foreign operation and political risk***".

Such litigation may be time consuming and costly, and as with all litigation, no guarantee of success can be made. Should any such decision be determined adversely to the Company, it may have a material adverse effect on the Company's profitability, results of operations and financial condition.

Litigation

The Company may from time to time be involved in various claims, legal proceedings and disputes arising in the ordinary course of business. If such disputes arise and we are unable to resolve these disputes favourably, it may have a material and adverse effect on the Company's profitability, results of operations and financial condition.

Title risk

To the extent that the Company acquires direct interests in real property or assets, the Company will be subject to risks associated with ownership to title of any such property(ies) or asset(s). Although title reviews will be done according to industry standards prior to the purchase of or investment in any property or asset, such reviews do not guarantee or certify that an unforeseen defect in the chain of title will not arise to defeat a claim of the Company. Clear title to carbon credits may also be difficult to establish with absolute certainty in all cases and may depend on the Company's ability to enforce contracts with counterparties in the event a counterparty to a purchase agreement fails to fulfill the obligations of a purchase agreement.

In addition, agreements may contain terms regarding ongoing obligations and commitments that, if not fulfilled by the Company, could result in the forfeiture of the agreement with the property or asset owners or the payment of compensation.

Insurance and Compliance Risk

Insurance risk

In light of the novelty of the carbon credit industry, the Company cannot give any assurances that insurance coverage for some or all of the risks of loss in the carbon credit industry will be available on commercially reasonable terms or at all. To the extent such insurance is available, the Company can give no assurances that it will continue to be available on commercially reasonable terms, that all events that could give rise to a loss or liability are insured or reasonably insurable or that its insurers would be capable of honouring their commitments if an unusually high number of claims were made against their policies. Certain losses, including certain environmental liabilities and business interruption losses, are not ordinarily covered by insurance.

Internal controls over financial reporting

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. The Company has procedures in place to ensure the reliability of its financial reports, including those imposed on it under Canadian securities laws. However, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. If the Company or its independent auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's financial statements and harm the trading price of the Common Shares or Warrants.

Changes in accounting standards and interpretations

IFRS accounting principles and related accounting pronouncements, implementation guidelines and interpretations with regard to a wide range of matters that are relevant to the Company's business, including revenue recognition, fair value estimation of the carbon credit streaming and royalty agreements, impairment of goodwill and intangible assets, inventory and income taxes, are highly complex and involve many subjective assumptions, estimates and judgments. Changes in these rules or their interpretation or changes in underlying assumptions, estimates or judgments could significantly change the Company's reported financial performance or financial condition in accordance with generally accepted accounting principles. Further, the Company's implementation of and compliance with changes in accounting rules, including new accounting rules and interpretations, could adversely affect the Company's reported financial position or operating results or cause unanticipated fluctuations in its reported operating results in future periods.

Specifically, the application of accounting standards for carbon credit streams and royalties is relatively new and developing and each carbon credit stream or royalty has its own unique terms and significant judgment is required to assess the appropriate accounting treatment. Currently, the Company's streaming agreements are agreements that are expected to be settled through the delivery of carbon credits; although under the contractual arrangements certain circumstances could result in the Company receiving cash upon expiry of the contracts. Accordingly, the carbon credit streaming agreements are accounted for as financial instruments. These agreements are initially and subsequently measured at fair value through profit or loss. At each reporting date, the fair value of each active streaming agreement is determined using discounted cash flow models taking into consideration various observable and unobservable inputs, including the expected volumes and timing of the delivery and sale of verified carbon credits, assumptions around carbon credit pricing, an applicable risk-adjusted discount rate and other contractual terms of the agreement.

Other variables that impact the fair value of carbon credit streaming and royalty agreements include the expected volumes and timing of the delivery and sale of the verified carbon credits, changes in expected costs and cash flows associated with the contract, changes in the risk-free interest rate, other factors affecting the project or project partner, other factors affecting the buyers of the carbon credits and their creditworthiness, other factors affecting the carbon credit streaming or royalty agreements, other factors affecting cost and availability of capital, and other potential factors.

Management assumptions /contingencies

Actual results may differ materially from management estimates and assumptions. In preparing consolidated financial statements in conformity with IFRS, estimates and assumptions are used by management in making various determinations of the fair value estimation of the carbon credit streaming and royalty agreements, future upfront deposit payment commitments, and other items reported during the periods presented. These estimates and assumptions must be made because certain information that is used in the preparation of such financial statements is dependent on future events and cannot be calculated with a high degree of certainty from information available. The Company must exercise significant judgment in applying its accounting policies, estimates and assumptions about the future. Actual results for all estimates could differ materially from the estimates and assumptions used by the Company, which may have a material adverse effect on the Company's business, financial condition, results from operations and business prospects.

Conflicts of interest

Certain of the Company's directors may also serve as directors or officers, or have significant shareholdings in, other companies involved in carbon credits or the carbon markets and, to the extent that such other companies may participate in ventures or markets in which the Company may participate in, or in ventures or markets which the Company may seek to participate in, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In all cases where directors and officers have an interest in other companies, such other companies may also compete with us for the acquisition of carbon credits, streams or other investments. In this regard, the Company has also adopted the Code, which includes, among other things, policies designed to minimize potential conflicts of interest and to provide appropriate procedures for the disclosure, approval and resolution of any real or potential conflicts of interest that may exist from time to time. See "*Directors and Officers – Conflicts of Interest*". Any such conflict of the directors and officers may result in a material adverse effect on our profitability, results of operation and financial condition.

Anti-corruption and bribery laws

Our business is governed by, and involves interactions with, various levels of government in foreign countries. Pursuant to our contractual obligations, we are required to comply with anti-corruption and anti-bribery laws, including the *Corruption of Foreign Public Officials Act* (Canada) ("**CFPOA**") and the U.S. Foreign Corrupt Practices Act (the "**FCPA**") and similar laws in the applicable project jurisdiction. These laws generally prohibit companies and company employees from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. The FCPA also requires companies to maintain accurate books and records and internal controls. Because the Company may pursue investments in other foreign countries, there is a heightened risk of potential CFPOA and FCPA violations.

In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such laws, resulting in greater scrutiny and punishment to companies convicted of violating anti-corruption and anti-bribery laws. A company may be found liable for violations by not only its employees, but also by its contractors and third-party agents. Our internal procedures and programs may not always be effective in ensuring that we, our employees, contractors or third-party agents will comply strictly with all such applicable laws. If we become subject to an enforcement action or we are found to be in violation of such laws, this may have a material adverse effect on our reputation and may possibly result in significant penalties or sanctions and may have a material adverse effect on our cash flows, financial condition, or results of operations.

Cyber-security threats

The Company is dependent upon information technology systems to operate its business and could be adversely affected by network disruptions from a variety of sources, including, without limitation, computer viruses, security breaches, cyber-attacks, natural disasters and defects in design. The Company's business is also dependent on the timely maintenance, upgrade and replacement of networks, equipment, information technology systems and software, as well as pre-emptive expenses to mitigate the risk of failure. There can also be no assurance that critical systems will not be inadvertently or intentionally breached and compromised. This may result in business interruption losses, equipment damage, or loss of critical or sensitive information. Given the unpredictability of the timing, nature and scope of information technology disruptions, we could potentially be subject to operational delays, destruction or corruption of data, any of which could have a material adverse effect on the Company's financial condition or results of operations.

Breach of confidentiality

During the ordinary course of discussing potential business relationships or other transactions with third parties, including through the ongoing Restructuring and strategic alternatives review process, the Company may disclose confidential information relating to the Company's business, operations or affairs. Although confidentiality agreements are generally signed by third parties prior to the disclosure of confidential information, a breach could put the Company at competitive risk and may cause significant damage to the Company's business. The harm to the Company's business from a breach of confidentiality cannot presently be quantified but may be material and may not be compensable in damages. There is no assurance that, in the event of a breach of confidentiality, the Company will be able to obtain equitable remedies, such as injunctive relief, from a court of competent jurisdiction in a timely manner, if at all, in order to prevent or mitigate any damage to the Company's business that such a breach of confidentiality may cause.

Forward-looking information

The forward-looking statements relating to, among other things, future results, performance, achievements, prospects or opportunities of the Company included in this AIF, are based on opinions, assumptions and estimates made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors the Company believes are appropriate and reasonable in the circumstances. However, there can be no assurance that such estimates and assumptions will prove to be correct. Actual results of the Company in the future may vary significantly from historical and estimated results and those variations may be material. There is no representation by the Company that actual results achieved by the Company in the future will be the same, in whole or in part, as those included in this AIF. See "*General Matters – Forward-Looking Information*".

Risks Related to Securities of the Company

Volatility of market price for the Common Shares or Warrants

The market price for the securities may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control, including the following: (i) actual or anticipated fluctuations in the Company's results of operations; (ii) changes in the economic performance or market valuations of other companies that investors deem comparable to the Company; (iii) the loss or resignation of executive officers and other key personnel of the Company; (iv) sales or perceived sales of additional Common Shares; (v) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors which prove to be ill considered; (vi) short sales, hedging and other derivative transactions in our Common Shares; (vii) investors' general perception of the Company and the public's reaction to the Company's press releases, other public announcements and filings with Canadian securities regulators; (viii) recommendations by securities research analysts; (ix) general political, economic, industry and market conditions, including fluctuations in carbon credit prices; and (x) trends, concerns, technological or competitive developments, regulatory changes and other related issues in the avoidance, reduction and sequestration of GHG emissions or the carbon markets.

Financial markets have experienced significant price and volume fluctuations in recent years that have particularly affected the market prices of equity securities of companies and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares and Warrants may decline even if the Company's operating revenue, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values which may result in losses. Certain institutional investors may base their investment decisions on consideration of the Company's environmental, governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to meet such criteria may result in a limited or no investment in the Common Shares by those institutions, which could adversely affect the trading price of the Common Shares and Warrants.

Equity dilution

The Board may issue Common Shares and Warrants without any vote or action by the Shareholders, subject to the rules of Cboe Canada and any other stock exchange on which the Company's securities may be listed from time to time. The Company may make future acquisitions or enter into financings or other transactions involving the issuance of securities and may issue securities in consideration for services rendered. If the Company issues any additional equity, the percentage ownership of existing Shareholders will be reduced and diluted, and the price of the Common Shares and Warrants could decline.

Costs and expenses as a result of being a listed public company

The Company is subject to significant costs, expenses and regulatory burden as a result of being a listed public company, which may negatively impact its performance and could cause its results of operations and financial condition to suffer. Compliance with applicable securities laws in Canada and the rules of Cboe Canada may result in substantial costs and expenses, including legal and accounting costs, and make certain activities more time consuming and costly.

Canadian securities laws and the rules of the exchanges on which the Company's shares are listed require publicly listed companies to, among other things, adopt corporate governance policies and related practices and to continuously prepare and disclose material information, all of which will significantly increase costs. Reporting obligations as a public company and the Company's anticipated growth may place a strain on financial and management systems, processes and controls. The Company also expects that these laws, rules and regulations will make it more expensive over time for it to obtain director and officer liability insurance, and it may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult to attract and retain qualified persons to serve on the Company's Board or as officers. As a result of the foregoing, the Company expects to continue to incur substantial legal, accounting, insurance and certain other costs and expenses in the future, which will impact its financial performance and its profitability, results of operation and financial condition.

Prospect of dividends

The Company currently intends to use its future earnings, if any, and other cash resources for the operation and development of its business and does not currently anticipate paying any dividends on the Common Shares.

Health Risks

Impact of the disease outbreaks and pandemics

Disease outbreaks and other epidemics or pandemics, such as the COVID-19 pandemic, have had and could continue to adversely affect our business, financial position and results of operations. The measures attempting to contain, mitigate and manage the effects of an epidemic or pandemic (including, among other things, travel bans and restrictions, quarantines, shelter-in-place orders, shutdowns and restrictions on trade) could cause uncertainty in the global economy.

In particular, global travel restrictions have impacted, and continue to impact, the timing of validation and verification deadlines for certifying organizations, such as Standard Bodies, which could delay the timing of delivery of carbon credits to the Company. The projects in which the Company currently has streams and royalties, and the Company's future opportunities may be, located outside of Canada. Accordingly, the Company may be affected by disease outbreaks or pandemic-related developments and measures which may differ from those taken in Canada. Such developments and measures may have adverse effects on our business, financial position and results of operations.

To the extent that a disease outbreak or any other potential regional or global pandemic harms our business and results of operations, many of the other risks described in this "Risk Factors" section may also be heightened.

DIVIDENDS AND DISTRIBUTIONS

The Company has not, since the date of its incorporation, declared or paid any dividends on its Common Shares, and does not currently anticipate paying any dividends in the foreseeable future. Rather, the Company intends to use any future earnings and other cash resources for the operation and development of its business but may declare and pay dividends in the future as operational circumstances permit. Any future determination to pay dividends on the Common Shares will be at the sole discretion of the Board after considering a variety of factors and conditions existing from time to time, including current and future operations, operating costs and debt service requirements, and available investment opportunities**.** There are no restrictions precluding the Company from paying dividends or making other distributions to its Shareholders.

DESCRIPTION OF CAPITAL STRUCTURE

Common Shares

The Company is authorized to issue an unlimited number of Common Shares, of which there were 47,421,219 Common Shares issued and outstanding as of December 31, 2023 and 47,750,932 Common Shares issued and outstanding as of the date of this AIF.

The Common Shares are not subject to any future call or assessment and do not have any pre-emptive, conversion or redemption rights, and all have equal voting rights. There are no special rights or restrictions of any nature attached to any of the Common Shares, all of which rank equally as to all benefits which might accrue to the holders of the Common Shares. All holders of Common Shares are entitled to receive notice of, attend and vote at any meeting to be convened by the Company. At any meeting, subject to the restrictions on joint registered owners of Common Shares, every Shareholder has one vote for each

Common Share of which he/she is the registered owner. Voting rights may be exercised in person or by proxy.

The holders of Common Shares are entitled to share pro rata in any: (i) dividends if, as and when declared by the Board in its discretion, and (ii) such of the Company's assets as are distributable to them upon liquidation, dissolution or winding-up of the Company. Other than as described in this AIF, no Common Shares or holders of Common Shares have any pre-emptive rights, conversion or exchange rights, redemption, retraction, purchase for cancellation or surrender provisions. No holder of Common Shares has any rights to permit or restrict the issuance of additional securities or any other material restriction. All outstanding Common Shares are fully paid and non-assessable, without liability for further calls or to assessment. Rights pertaining to the Common Shares may only be amended in accordance with applicable corporate law, which includes approval of the holders of such Common Shares.

Warrants

The Company has issued the following Warrants which are convertible into Common Shares. All Warrants have been adjusted to reflect the Consolidation on a basis of five pre-Consolidation Common Shares for one post-Consolidation Common Share:

(i) 2,856,000 Warrants exercisable to acquire Common Shares at a price of C$0.625 per Common Share at any time up until April 22, 2025;

(ii) 280,000 Warrants exercisable to acquire Common Shares at a price of C$0.625 per Common Share at any time up until December 16, 2025;

(iii) 690,000 Warrants exercisable to acquire Common Shares at a price of C$0.625 per Common Share at any time up until December 22, 2025;

(iv) 2,934,000 Warrants exercisable to acquire Common Shares at a price of C$3.75 per Common Share at any time up until January 27, 2026;

(v) 8,726,505 Warrants exercisable to acquire Common Shares at a price of C$7.50 per Common Share at any time up until March 2, 2026 (the "**March 2026 Warrants**"); and

(vi) 20,980,250 Warrants exercisable to acquire Common Shares at a price of $7.50 per Common Share at any time up until September 19, 2026 (the "**September 2026 Warrants**"). These Warrants were issued as the result of the automatic conversion of the Special Warrants on November 20, 2021.

As of December 31, 2023 and as of the date of this AIF, there were 33,230,789 Warrants issued and outstanding on a post-Consolidation basis. Each Warrant is exercisable into one Common Share.

Options, Restricted Share Units and Performance Share Units

The Company has adopted an Omnibus Long-Term Incentive Plan (the "**Incentive Plan**") as a means to provide incentive to eligible directors, officers, employees and consultants. As at December 31, 2023 there were 1,191,000 Options, 1,120,339 RSUs outstanding and 314,514 PSUs outstanding.

MARKET FOR SECURITIES

Trading Price and Volume

The following table summarizes the monthly range of high and low market prices and the total monthly trading volumes of the Common Shares on Cboe Canada for the months indicated:

Month	High ($)	Low ($)	Volume
January 2023	C$2.84	C$2.05	794,264
February 2023	C$2.63	C$1.99	955,782
March 2023	C$2.60	C$2.11	614,228
April 2023	C$2.53	C$2.18	511,536
May 2023	C$2.28	C$1.79	515,941
June 2023	C$1.90	C$1.30	555,991
July 2023	C$1.47	C$1.14	383,852
August 2023	C$1.33	C$1.14	304,290
September 2023	C$1.23	C$0.95	335,492
October 2023	C$1.03	C$0.80	325,188
November 2023	C$1.08	C$0.85	348,037
December 2023	C$1.04	C$0.86	330,965
January 2024	C$0.97	C$0.68	251,995
February 2024	C$0.86	C$0.56	429,706
March 2024	C$0.80	C$0.55	383,024

The following table summarizes the monthly range of high and low market prices and the total monthly trading volumes of the March 2026 Warrants on Cboe Canada for the months indicated:

Month	High ($)	Low ($)	Volume
January 2023	C$0.58	C$0.48	59,626
February 2023	C$0.58	C$0.45	49,168
March 2023	C$0.49	C$0.41	30,851
April 2023	C$0.44	C$0.38	13,340
May 2023	C$0.34	C$0.10	33,250
June 2023	C$0.15	C$0.11	31,866
July 2023	C$0.11	C$0.01	46,100
August 2023	C$0.11	C$0.07	8,526
September 2023	C$0.08	C$0.04	92,285
October 2023	C$0.09	C$0.01	100,000
November 2023	C$0.07	C$0.05	39,960
December 2023	C$0.05	C$0.04	22,500
January 2024	C$0.04	C$0.04	78,748
February 2024	C$0.04	C$0.04	15,289
March 2024	C$0.05	C$0.03	9,736

The following table summarizes the monthly range of high and low market prices and the total monthly trading volumes of the September 2026 Warrants on Cboe Canada for the months indicated:

Month	High ($)	Low ($)	Volume
January 2023	C$0.47	C$0.33	104,400
February 2023	C$0.38	C$0.32	39,000

March 2023	C$0.39	C$0.34	6,501
April 2023	C$0.37	C$0.28	53,700
May 2023	C$0.25	C$0.15	38,300
June 2023	C$0.15	C$0.07	484,802
July 2023	C$0.08	C$0.05	325,600
August 2023	C$0.06	C$0.02	673,794
September 2023	C$0.04	C$0.03	181,625
October 2023	C$0.03	C$0.01	185,400
November 2023	C$0.05	C$0.01	292,389
December 2023	C$0.05	C$0.01	288,550
January 2024	C$0.02	C$0.02	55,150
February 2024	C$0.01	C$0.01	71,400
March 2024	C$0.01	C$0.01	3,000

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

The following table sets forth escrowed securities and securities subject to contractual restrictions on transfer as at the date hereof:

Designation of class	Number of securities held in escrow or that are subject to a contractual restriction on transfer	Percentage of class
Common Shares	3,530,474(1)	7.44%

Notes:
(1) Pursuant to the SAA, a portion of the Founders' Common Shares are being held in escrow as collateral until such time as carbon credits are delivered under the Rimba Raya Stream. See "*Description of the Business – Other Agreements & Investments*".

DIRECTORS AND OFFICERS

Name and Occupation

The following table sets forth, for each of the directors and executive officers of the Company as of the date hereof, the person's name, jurisdiction of residence, position and office held with the Company, principal occupation during the last five years and, if a director, the period or periods during which the person has served as a director of the Company. Each of the directors of the Company will hold office until the close of the next annual meeting of the Shareholders of the Company unless his or her office is earlier vacated in accordance with the articles of the Company.

Name and Jurisdiction of Residence	Principal Occupation for Past Five Years
Maurice Swan [1, 2, 3] Ontario, Canada Director Since: January 27, 2021	- Professional director, currently board member of Nickel 28 Capital Corp. - Lawyer and formerly General Counsel of Superior Gold Inc. from March 2020 to November 2022. - Corporate partner at Stikeman Elliott LLP from 2004 – 2019.

Name and Jurisdiction of Residence	Principal Occupation for Past Five Years
Candace MacGibbon [1, 2, 3] Ontario, Canada Director Since: November 12, 2021	- Professional director, currently an independent board member of Osisko Gold Royalties Ltd. and TransAlta Corp. - Formerly the CEO and a Board member of INV Metals Inc. from 2015 – 2021, CFO from 2008-2015. - Board member Nickel 28 Capital Corp. from 2019 – 2021. - Board member Cobalt 27 Capital Corp. from 2017 – 2019.
Alice Schroeder [1, 2, 3] Connecticut, U.S.A. Director Since: January 10, 2022	- Professional director, currently board member of HSBC North America Holdings, Dakota Gold Corp and RefleXion. - Formerly served as a Board member of Westland Insurance from 2021 - 2023, Bank of America Merrill Lynch International from 2016 to 2018, Quorum Health Corporation from 2018-2022, Prudential plc from 2013-2022, and Natus Medical Inc. from 2019 – 2022.
Jeanne Usonis California, U.S.A Director Since: March 31, 2021	- Director at Regent Advisors LLC. - CFO at Deep Reasoning AI Inc., a private company developing artificial intelligence software for medical imaging.
Justin Cochrane Ontario, Canada Director Since: June 29, 2021 President & Chief Executive Officer	- With the Company since January 2021. - President of Nickel 28 Capital Corp. since November 2019. - Formerly the President & COO of Cobalt 27 Capital Corp. - Formerly the Executive Vice President and Head of Corporate Development for Sandstorm Gold Ltd. - Formerly a Vice President of the investment banking division at National Bank Financial.
Conor Kearns Ontario, Canada Chief Financial Officer	- With the Company since January 2021. - CFO of Nickel 28 Capital Corp. since October 2019. - Formerly Vice President of Finance of Cobalt 27 Capital Corp. - Formerly Chief Financial Officer of EFT Canada Inc.
Alec Kushnir New York, U.S.A. EVP, Investments & Origination	- With the Company since May 2021. - Formerly Vice President, Business Development for New Fortress Energy from 2018-2021. - Previously held positions with Noble Group, ANZ Investment Bank, Sithe Energies and Dresdner Kleinwort Benson.
Derek Sawkins British Columbia, Canada EVP, Strategy & Investments	- With the Company since January 2021. - From 2016 until June 2021, held various titles INVIDI Technologies Corporation, most recently Senior Vice President of Corporate Development and Strategy.
Anne Walters Ontario, Canada General Counsel & Corporate Secretary	- With the Company since June 2021. - From March 2017 until June 2021, Head of Legal, Canada for Frontera Energy Corporation. - Former lawyer at Stikeman Elliott LLP.

Notes:

(1) Member of the Audit Committee of the Board.
(2) Member of the Compensation Committee of the Board.

(3) Member of the Corporate Governance, Nominating and Sustainability Committee of the Board.
(4) Ms. MacGibbon is the nominee of Osisko to the Board. See *"Material Contracts – Investor Rights Agreement – Board Nomination Right"*.

On January 4, 2024, the Company announced that it had reduced the size of the Board from eight (8) to five (5) directors. In connection with the decrease in size of the Board, R. Marc Bustin, Saurabh Handa, and Andy Tester voluntarily resigned from the Board on January 3, 2024.

Share Ownership

As of the date of this AIF, the directors and executive officers of the Company, as a group, beneficially owned, directly or indirectly, or exercised control or direction over an aggregate of 1,644,899 Common Shares, which represented approximately 3.45% of the Company's issued and outstanding Common Shares.

On a partially-diluted basis, assuming the exercise of all Options, RSUs, PSUs and Warrants, the directors and executive officers of the Company, as a group, beneficially owned, directly or indirectly, or exercised control or direction over an aggregate of 4,265,236 Common Shares, which represented approximately 8.20% of the Company's issued and outstanding Common Shares. The statement as to the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by the directors and executive officers of the Company as a group is based upon information furnished by the directors and executive officers.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as disclosed below, none of our directors or executive officers are, as at the date of this AIF, or have been within 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Company) that:

(a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or

(b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

None of our directors, executive officers or any Shareholder holding a sufficient number of our securities to affect materially the control of the Company:

(a) is, as at the date of this AIF, or has been within the 10 years before the date of this AIF, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

(b) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder;

(c) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(d) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Alice Schroeder was a director of Quorum Health Corporation from June 8, 2018 to July 23, 2021. She also served as chair of the Audit and Compliance Committee. On April 7, 2020, Quorum Health Corporation and certain affiliated companies filed petitions in the United States Bankruptcy Court for the District of Delaware seeking relief under chapter 11 of the United States Bankruptcy Code. The plan of reorganization of Quorum Health Corporation was approved by the court on July 7, 2020 and the company became private equity owned.

Common Shares previously traded on the TSX Venture Exchange ("**TSX-V**") under the symbol "MNV". The Common Shares were subsequently halted from trading, subject to cease trade orders and delisted from the TSX-V on May 9, 2017 following the failure of a previous management team to file statements for the financial year ended June 30, 2012, and corresponding MD&A and certifications. The cease trade orders were issued by the British Columbia Securities Commission (November 19, 2012), the Ontario Securities Commission (December 3, 2012) and the Alberta Securities Commission (March 5, 2013). In February 2020, the Company was successful in obtaining full revocation orders of all cease trade orders.

Conflicts of Interest

The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interests, which they may have in any project or opportunity of the Company. Conflicts, if any, will be subject to the procedures and remedies as provided under applicable corporate law and corporate governance, including disclosing of any interest in a proposed transaction, and abstaining from voting on such matters.

To the best of the Company's knowledge, and other than as disclosed in this AIF, there are no known existing or potential conflicts of interest between the Company and its directors and officers except that certain of the directors and officers may serve as directors and/or officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Company and their duties as a director or officer of such other companies.

AUDIT COMMITTEE

Under National Instrument 52-110 - *Audit Committees* ("**NI 52-110**"), the Company is required to include in this AIF the disclosure required under Form 52-110F1 with respect to the audit committee of the Board of Directors (the "**Audit Committee**"), including the composition of the Audit Committee, the text of the Audit Committee charter (attached to this AIF as Appendix "A"), and the fees paid to the Company's external auditor.

Composition of the Audit Committee

The current members of the Audit Committee are Candace MacGibbon (Chair), Alice Schroeder and Maurice Swan. As at December 31, 2023 the Audit Committee members comprised of Saurabh Handa (Chair), R. Marc Bustin, Candace MacGibbon and Alice Schroeder. On January 3, 2024, Saurabh Handa and R. Marc Bustin resigned from the Board.

A member of the Audit Committee is considered to be "independent" if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment; and generally includes any member of management or significant Shareholder. Each of Ms. MacGibbon, Ms. Schroeder and Mr. Swan are considered to be independent of the Company.

A member of the Audit Committee is considered "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company. All members are considered to be financially literate.

Relevant Education and Experience

Candace MacGibbon. Ms. MacGibbon is a CPA, CA with over 25 years of experience in the mining sector and capital markets. She is currently an independent Director and audit committee member of Osisko Gold Royalties Ltd (TSX:OR) and TransAlta Corp. (NYSE:TAX). She was formerly the CEO of INV Metals Inc., a Canadian mineral resource company focused on the development and exploration of the Loma Larga gold property in Ecuador which was acquired by a mid-tier producing Canadian gold company in July 2021. Ms. MacGibbon has significant technical, government relations, communications and ESG experience. Ms. MacGibbon has a deep understanding of the capital markets as a result of her previous employment as a global mining institutional salesperson with RBC Capital Markets and in base metals research as a mining associate with BMO Capital Markets. Ms. MacGibbon is a Chartered Professional Accountant and her financial and accounting experience includes her previous role as CFO of INV Metals Inc., as well as her prior employment with Deloitte LLP. Ms. MacGibbon is also a former director of INV Metals Inc., Cobalt 27 Capital Corp., and Nickel 28 Capital Corp. Ms. MacGibbon is a graduate of the University of Western Ontario and Sir Wilfred Laurier University. Ms. MacGibbon obtained her ICD.D designation from the Institute of Corporate Directors in February 2023, and a Cybersecurity Certificate from Cornell University in March 2023.

Alice Schroeder. Ms. Schroeder has chaired and served on several boards in the financial services and health care sectors throughout her career and has chaired or been a member of numerous Nominating & Governance, Audit and ESG committees. She is currently serving on the boards of HSBC North America Holdings, RefleXion Medical, and Westland Insurance and previously served on the board of Prudential plc, Natus Medical, and Bank of America Merrill Lynch International where she either served on or chaired the audit committee of each. Ms. Schroeder began her career as a CPA with eleven years of experience as an auditor with Ernst & Young and spent nearly two decades on Wall Street as a financial analyst as a Managing Director at Morgan Stanley, CIBC Oppenheimer and PaineWebber. Ms. Schroeder was named to the National Association of Corporate Directors "Directorship 100" list in 2020 and is the author of the #1 New York Times and Wall Street Journal bestseller, *The Snowball: Warren Buffett and the Business of Life, the story of Buffett and Berkshire Hathaway.*

Maurice Swan. Mr. Swan is a lawyer and former General Counsel of Superior Gold Inc. Previously, he was a partner at Stikeman Elliott LLP. Mr. Swan practiced corporate law at Stikeman Elliott LLP for over 24 years with wide ranging experience, including extensive work in debt capital markets, securitization, corporate finance, and mergers and acquisitions, and with a particular focus on transactions in the global mining and metals sector. Mr. Swan is currently a board member of Nickel 28 Capital Corp. and serves on its audit committee. Mr. Swan earned leading lawyer accolades from publications including Lexpert, International Finance & Law Review, Who's Who Legal and Best Lawyers. Mr. Swan holds a B.A. from York University and an L.L.B. from Osgoode Hall Law School and is a member of the Ontario Bar.

Saurabh Handa. Mr. Handa, former chair of the Audit Committee, is the Chief Financial Officer for Metalla Royalty & Streaming Ltd., a TSX-V listed and NYSE-listed precious metals royalty and streaming company, and is a Director and Audit Committee Chair for K92 Mining Inc., a TSX-listed company with mining operations in Papua New Guinea. Previously, he held the positions of Chief Financial Officer of Titan Mining Corp., Vice President, Finance of Imperial Metals Corp., Chief Financial Officer of Meryllion Resources Corp., and Chief Financial Officer of Yellowhead Mining Inc. Mr. Handa is a Chartered Professional Accountant and graduated with Honours from the University of British Columbia with a diploma in Accounting. Prior to joining the accounting profession, Mr. Handa obtained a Bachelor of Science degree in Genetics from the University of British Columbia and a diploma in Computer Systems from the British Columbia Institute of Technology.

R. Marc Bustin. Dr. Bustin, former member of the Audit Committee, received his PhD in geology from the University of British Columbia and MSc and BSc (Dist.) from the University of Calgary. He has published over 200 peer reviewed scientific articles and provided industry training courses throughout the world. His past awards include the A. L. Leverson memorial award from the AAPG, the Thiesson Medal from the ICCP, the Sproule career achievement award, the Gilbert H. Cady Award from the Geological Society of America, and the Slipper Gold Medal from the Canadian Society of Petroleum Geology. Dr. Bustin is an elected Fellow of the Royal Society of Canada and a registered professional geologist in the province of British Columbia.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed fiscal year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Pre-Approval Policies and Procedures

The Audit Committee charter set out at Appendix "A" attached hereto provides that the Audit Committee shall review and pre-approve all non-audit services to be provided by the Company's external auditors.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors for the year ended June 30, 2022, the six months ended December 31, 2022 and the year ended December 31, 2023 for audit fees are as follows:

Financial Year Ending	Auditor [1]	Audit Fees	Audit Related Fees [2]	Tax Fees [3]	All Other Fees[4]
December 31, 2023	Deloitte	$234,387 [5]	nil	nil	$21,170
December 31, 2022	Deloitte	$147,667[6]	nil	$22,459	$27,511
June 30, 2022	Deloitte	$142,059[7]	nil	$51,918	nil
	Baker Tilly	$37,574[8]	nil	nil	$5,929[9]

Notes:

(1) The Company changed its auditor to Deloitte LLP ("**Deloitte**") from Baker Tilly WM LLP ("**Baker Tilly**"), effective August 11, 2022. See "Interests of Experts".
(2) Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".
(3) Fees charged for tax compliance, tax advice and tax planning services.
(4) Fees for services other than disclosed in any other column.
(5) Includes the estimated fees expected to be paid to Deloitte for the year ended December 31, 2023 audit, which has been quoted in C$ and has been converted into US$ based on the December 31, 2023 exchange rate as reported by the Bank of Canada of US$1.00 for every C$1.3226.
(6) Includes fees paid to Deloitte for the six month period ended December 31, 2022 audit.
(7) Includes fees paid to Deloitte for the year ended June 30, 2022 audit.
(8) Includes fees paid to Baker Tilly for the quarterly review conducted for the year ended June 30, 2022.
(9) Represents fees incurred in connection with the preparation of the registration statement on Form 40-F that the Company filed with the Securities and Exchange Commission in February 2022.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

There are no legal proceedings outstanding, threatened or pending, as of the date hereof, by or against the Company or to which it is a party or to which its business or any of its property is subject, nor to the Company's knowledge are any such legal proceedings contemplated which could become material to a purchaser of the Company's securities.

Regulatory Actions

There have not been any penalties or sanctions imposed against the Company by a court relating to provincial or territorial securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Company, and the Company has not entered into any settlement agreements before a court relating to provincial or territorial securities legislation or with a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

For purposes of this AIF, "informed person" means:

(a) any director or executive officer of the Company;

(b) a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Company's outstanding Common Shares; and

(c) any associate or affiliate of any of the foregoing persons.

No informed person has or has had any material interest, direct or indirect, in any transaction undertaken by the Company during its three most recently completed fiscal years or during the current fiscal year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries, save and except for (i) remuneration for services received by each of the Company's senior officers and directors, and (ii) participation by officers and directors in the various private placements undertaken by the Company since June 2021.

TRANSFER AGENT AND REGISTRAR

The Company's registrar and transfer agent for its Common Shares is Odyssey Trust Company with its office at Suite 323 – 409 Granville Street, Vancouver, British Columbia. The Company's register and transfer agent for its March 2026 Warrants and September 2026 Warrants is Odyssey Trust Company with its office at 1230-300 5th Avenue SW, Calgary, Alberta.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the Investor Rights Agreement is the only material contract entered into by the Company which is considered to be material. A copy of the Investor Rights Agreement is available for review on SEDAR+ at www.sedarplus.ca.

Investor Rights Agreement

Osisko Gold Royalties Ltd ("**Osisko**") and the Company are currently parties to an investor rights agreement dated February 18, 2021 which governs various aspects of the relationship between Osisko and the Company (the "**Investor Rights Agreement**"). The following is a summary of the material attributes and characteristics of the Investor Rights Agreement. This summary is qualified in its entirety by reference to the provisions of that agreement, which contains a complete statement of those attributes and characteristics.

Board Nomination Right

Pursuant to the Investor Rights Agreement, Osisko shall be entitled to nominate, on an annual basis, one (1) nominee for election to the board of directors of Carbon Streaming for so long as, (i) until the date that is three (3) years from the date of the Investor Rights Agreement, Osisko, together with its affiliates, does not hold less than an aggregate of 2,160,000 Common Shares and Warrants on a post-Consolidation basis and (ii) at any time after the date that is three (3) years from the date of the Investor Rights Agreement, the percentage of outstanding Common Shares beneficially owned directly or indirectly by Osisko, together with its affiliates, is not less than 7.5% of the outstanding Common Shares (calculated on a partially diluted basis) ((i) and (ii), the "**Ownership Conditions**"). As of the date hereof, Osisko's right to nominate one (1) nominee for election to the board of directors of Carbon Streaming is in place. Ms. MacGibbon, a current independent board member of Osisko, is the Osisko board nominee.

Participation Rights

Pre-emptive Right. Under the Investor Rights Agreement, the Company will also grant to Osisko certain equity financing rights to participate in future offerings of any new securities by the Company. Provided that Osisko meets the Ownership Conditions, if the Company proposes to issue or sell any Common Shares or other equity securities or any warrant, option or other right to acquire equity securities or other securities convertible or exchangeable for equity securities (the "**New Securities**"), then Osisko has the right to subscribe for and purchase, each type, class or series of New Securities, as applicable, on terms and conditions not less favourable than those provided to the other subscribers of such New Securities, up to an amount sufficient to maintain Osisko's aggregate pro rata ownership interest in the outstanding Common Shares.

Stream Participation Right. Provided that Osisko meets the Ownership Conditions, Osisko shall have the exclusive right to participate in, and acquire up to 20% of, any stream, forward sale, prepay, royalty, off-take or similar transaction between the Company, as purchaser and/or creditor, and one or more third party counterparties (the "**Stream Participation Right**"). Similarly, the Company, and its affiliates, shall not sell all or part of its interest in or rights under any asset or agreement in respect of which Osisko has exercised its Stream Participation Right, without first having offered same to Osisko in writing.

As of the date of this AIF, Osisko has participated in the Magdalena Bay Blue Carbon Stream. While Osisko had previously elected in principle to participate in the Rimba Raya Stream, in November 2023 Osisko provided notice to the Company that it would not proceed with exercising its right to participate in the stream.

Voting Support

Subject to certain exceptions, Osisko has also agreed that it will vote and will cause voting securities owned by its affiliates to be voted: (a) in favour of, (i) each director nominated and recommended by the Board for election, (ii) the Company's proposal for ratification of the appointment of the Company's independent auditor, and (iii) every other management recommendation at any meeting of shareholders of the Company; and (b) against, any shareholder nominations for director that are not approved and recommended by the board.

INTERESTS OF EXPERTS

The Company's auditor is Deloitte LLP and is independent of the Company within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

ADDITIONAL INFORMATION

This information and other pertinent information relating to the Company may be found on SEDAR+ at www.sedarplus.ca.

Additional financial information is provided in the Company's financial statements and MD&A for its most recently audited financial year ended December 31, 2023. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under its Incentive Plan, among other things, is contained in the Company's information circular for its most recent annual meeting of Shareholders that involved the election of directors.

Forward-Looking Information

Certain statements in this AIF constitute "forward-looking statements" or "forward-looking information" (collectively "**forward-looking information**") within the meaning of applicable securities laws involving known and unknown risks, uncertainties and other factors regarding the Company and its intentions, beliefs, expectations and future results. This may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

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. Forward-looking statements may include, but are not limited to, statements relating to our future financial outlook and anticipated events or results and may include information regarding our business, financial position, growth plans, strategies, opportunities, operations, plans and objectives. In particular, and without limiting the generality of the foregoing, this AIF contains forward-looking information concerning:

- general market conditions;
- expectations regarding carbon market trends, overall carbon market growth rates and prices for carbon credits and the impact of market trends in the compliance and voluntary market thereon;
- expectations regarding the future development of global voluntary and compliance carbon markets (and related legal, regulatory and administrative frameworks);
- the Company's business plans and strategies;
- future development activities, including acquiring carbon credits, streams, royalties and interests in carbon credit projects or entities involved in carbon credits or related businesses;
- the competitive conditions of the industry in which the Company operates;
- political, social and economic conditions; and
- laws and any amendments thereto applicable to the Company and its business.

The Company's forward-looking information is based on the beliefs, expectations and opinions of management of the Company on the date the information is provided. Investors should not place undue reliance on forward-looking information.

In certain cases, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "targets", "expects", "is expected", "budget", "scheduled", "estimates", "outlook", "forecasts", "projection", "prospects", "strategy", "intends", "anticipates", "believes", or variations of such words and phrases or terminology which states that certain actions, events or results "may", "could", "would", "might", "will", "will be taken", "occur" or "be achieved". In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. These statements reflect the Company's current expectations regarding future events and operating performance and speak only as of the date of this AIF.

With respect to forward-looking statements and forward-looking information contained in this AIF, assumptions have been made regarding, among other things:

- the regulatory framework governing carbon credits, streaming and royalty agreements and related matters in the jurisdictions in which the Company conducts or may conduct its business in the future and where its carbon credits projects are located and carbon credits will be generated;
- future trends in the pricing, supply and demand of carbon credits;
- the accuracy and veracity of information and projections sourced from third parties respecting, among other things, supply of carbon credits, demand for carbon credits, growth in carbon markets and anticipated carbon pricing;
- future global economic and financial conditions;
- future expenses and capital expenditures to be made by the Company;
- future sources of funding for the Company's business;
- the impact of competition on the Company; and
- the Company's ability to obtain financing on acceptable terms.

Actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and included elsewhere in this AIF, including (but not limited to):

- general economic, market and business conditions and global financial conditions, including fluctuations in interest rates, foreign exchange rates and stock market volatility;
- volatility in prices of carbon credits and demand for carbon credits;
- change in social or political views towards climate change, carbon credits and ESG initiatives 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;
- dependence upon key management;
- impact of the Restructuring;
- reputational risks;
- 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;
- changes in local legislation and regulations and/ or direct government intervention and government policies including related to NDCs under the Paris Agreement;
- foreign operations and political risks including actions by governmental authorities, including changes in or to government regulation, taxation and carbon pricing initiatives;
- uncertainties and ongoing market developments surrounding the validation and verification requirements of the voluntary and/or compliance markets and the rules and requirements of the Standard Bodies and Registries;
- 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 and /or the ability of project partners, operators and owners to access the financial, technical and operating resources to complete the development of the project;
- 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 Common Shares or Warrants;
- the effect that the issuance of additional securities by the Company could have on the market price of the Common Shares or Warrants;
- global health crises, such as pandemics and epidemics, and
- the other factors discussed under "*Risk Factors*".

Readers are cautioned that the foregoing lists of factors are not exhaustive. Should one or more of these risks and uncertainties materialize, or should the Company's estimates or underlying assumptions prove incorrect, actual results, performance or achievements may vary materially from those described in forward-looking statements 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. Moreover, the Company does not assume responsibility for the outcome of the forward-looking information. Accordingly, readers are advised not to place undue reliance on forward-looking information.

The forward-looking statements contained in this AIF are expressly qualified by this cautionary statement. The Company does not undertake any obligation to publicly update or revise any forward-looking information except as expressly required by applicable securities laws.

Market Data

This AIF contains market and industry information, statistical data, market research and industry forecasts that were obtained from third party sources, including government or other industry publications and reports or based on estimates derived from such publications and reports. Government and industry publications and reports generally indicate that they have obtained their information from sources believed to be reliable, but do not guarantee the accuracy and completeness of their information. Often, such information is provided subject to specific terms and conditions limiting the liability of the provider, disclaiming any responsibility for such information, and/or limiting a third-party's ability to rely on such information. None of the authors of such publications and reports has provided any form of consultation, advice or counsel regarding any aspect of, or is in any way whatsoever associated with the Company. Further, certain of these organizations are advisors to participants in the carbon credit industry and may present information in a manner that is more favourable to that industry than would be presented by an independent source. Actual outcomes may vary materially from those forecast in such reports or publications and the prospect for material variation can be expected to increase as the length of the forecast period increases.

While the Company believes this data to be reliable, market and industry data is subject to variations and cannot be verified due to limits on the availability and reliability of data inputs, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any market or other survey. Accordingly, the accuracy, currency and completeness of this information cannot be guaranteed. The

Company has not verified any of the data from third party sources referred to in this AIF or ascertained the underlying assumptions relied upon by such sources.

GLOSSARY OF CERTAIN TERMS

In this AIF, the following words or phrases have the following meanings. Words below importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders:

"**ACoGS**" means avoided conversion of grasslands and shrublands.

"**AFOLU**" means agriculture, forestry and other land-use.

"**AGE Africa**" means Advancing Girls' Education in Africa.

"**AIF**" means an annual information form that is prepared pursuant to Part 6 of National Instrument 51-102 - *Continuous Disclosure Obligations*.

"Amazon Portfolio" means four REDD projects located throughout the Brazilian Amazon.

"**Amazon Portfolio Royalty**" means the 5% royalty agreement between the Company and Future Carbon covering the carbon credit revenues generated by Future Carbon from its interest in the Amazon Portfolio.

"**Audit Committee**" means a committee established by and among the Board of the Company for the purpose of overseeing the accounting and financial reporting processes of the Company and audits of the financial statements of the Company.

"**Awards**" means, collectively, Options, RSUs and PSUs.

"**Baccala Ranch Reforestation Stream**" means the purchase and sale agreement entered into on February 7, 2024 among the Company, Mast and the parent company of Mast, Droneseed Co. d/b/a Mast Reforestation.

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as amended from time to time, including the regulations promulgated thereunder.

"**BCI**" means the Bonobo Conservation Initiative.

"Biochar" means biological charcoal, a stable, porous, near-pure form of carbon which remains inert for centuries. Carbon credits are generated from the biochar's ability to store carbon and prevent the release of CO_2 into the atmosphere.

"BECCS" means bioenergy with carbon capture and storage.

"**Board**" means the Company's board of directors, as constituted from time to time.

"**Bonobo Peace Forest Projects**" means the Kokolopori Bonobo Peace Forest Grouped REDD Project and the Sankuru Peace Forest Grouped REDD Project, located within the Kokolopori Bonobo Reserve and the Sankuru Nature Reserve, respectively, in the Bonobo Peace Forest, a network of community-managed protected areas in the Democratic Republic of the Congo.

"**Bonobo Peace Forest Royalty**" means the 5% royalty agreement between the Company and BCI covering the carbon credit revenues generated from the Bonobo Peace Forest Projects.

"**CAR**" means Climate Action Reserve.

"**carbon credits**" means carbon offsets, carbon allowances and other environmental attributes including, without limitation, renewable energy certificates and clean/low carbon fuel standard credits.

"**Carbon Fund Advisors**" means Carbon Fund Advisors Inc.

"**Carbon Streaming**" or the "**Company**" means Carbon Streaming Corporation.

"**Cboe Canada**" means Cboe Canada, formerly named the Neo Exchange Inc.

"**CCB Standards**" means the Climate, Community and Biodiversity Standards.

"**CCPs**" means the Core Carbon Principles of the ICVCM.

"**CCS**" means carbon capture and storage.

"**CDP**" means CDP Worldwide.

"**CEO**" means chief executive officer.

"**Cerrado Biome**" means ERA's Avoided Conversion Cerrado grouped project in Brazil.

"**Cerrado Biome Stream**" means the purchase and sale agreement entered into on September 8, 2021 between the Company and ERA.

"**CFO**" means chief financial officer.

"**CFPOA**" means the *Corruption of Foreign Public Officials Act* (Canada).

"**Citadelle**" means Citadelle Maple Syrup Producers' Cooperative.

"**CIX**" means Climate Impact X's CIX Exchange.

"**CO_2**" means carbon dioxide.

"**CO_2e**" means carbon dioxide equivalent, the base reference for the determination of the global warming potential of greenhouse gases in units of CO_2.

"**Co-Benefits**" means any positive impacts, other than direct GHG emissions mitigation, resulting from carbon offset projects.

"**Code**" means the Company's Code of Business Conduct and Ethics.

"**Common Share**" means a common share in the capital of the Company.

"**Community Carbon Stream**" means the purchase and sale agreement which closed on August 16, 2022 among the Company, Community Carbon and UpEnergy.

"**Company**" or "**Carbon Streaming**" means Carbon Streaming Corporation, a corporation formed under the laws of the Province of British Columbia.

"**CONANP**" means Mexico's National Commission for Protected Natural Areas.

"**Consolidation**" means the consolidation of the Company's share capital of one (1) Common Share for every five (5) pre-Consolidation Common Shares, that became effective on October 25, 2021.

“**CORCs**” means CO_2 removal certificates, the carbon credit unit of the Puro.earth Registry.

“**Core CarbonX**” means collectively, Core CarbonX Pte. Ltd. and its services provider, Core CarbonX Solutions Private Limited.

“**CORSIA**” means the Carbon Offsetting and Reduction Scheme for International Aviation.

“**DACCS**” means direct air carbon capture.

“**Enfield Biochar Stream**” means the purchase and sale agreement entered into on November 1, 2022 between the Company and Standard Biocarbon.

“**Enfield Biochar Royalty**” means the royalty agreement entered into on November 1, 2022 between the Company and Standard Biocarbon.

“**ERA**” means ERA Cerrado Assessoria e Projectos Ambientais Ltd.

“**ESG**” means environmental, social and governance.

“**ETS**” means emissions trading system, a form of which is a cap-and-trade program.

“**EU ETS**” means EU Emissions Trading System.

“**FCPA**” means the U.S. Foreign Corrupt Practices Act.

“**Feather River Reforestation Stream**” means the purchase and sale agreement entered into on September 14, 2023 among the Company, Mast and the parent company of Mast, Droneseed Co. d/b/a Mast Reforestation.

“**FMU**” means Forecast Mitigation Unit under CAR’s Climate Forward program.

“**Founders**” means the founders of InfiniteEARTH.

“**Founders’ Common Shares**” means the 4,539,180 Common Shares (22,695,900 Common Shares on a pre-Consolidation basis) that the Company issued pursuant to the terms of the SAA.

“**Future Carbon**” means Future Carbon International LLC, the international division of the Future Carbon Group.

“**GHG**” means greenhouse gas.

“**$GtCO_2$**” means one billion tonnes of carbon dioxide.

“**$GtCO_2e$**” means one billion tonnes of carbon dioxide equivalent.

“**ICROA**” means the International Carbon Reduction & Offset Alliance.

“**ICVCM**” means The Integrity Council for the Voluntary Carbon Market.

“**IETA**” means the International Emissions Trading Association.

“**IFRS**” means International Financial Reporting Standards.

“Impact Fund” means the fund created by Community Carbon that is jointly funded from a portion of the carbon credit sales revenue from the projects over the life of the Community Carbon Stream.

"**Incentive Plan**" means the Company's Omnibus Long-Term Incentive Plan. See *"Description of Capital Structure —Options, Restricted Share Units and Performance Share Units"*.

"**InfiniteEARTH**" means InfiniteEARTH Limited and InfiniteEARTH Nusantara.

"**InfiniteEARTH Nusantara**" means PT InfiniteEARTH Nusantara, the wholly-owned Indonesian subsidiary of InfiniteEARTH.

"**Investor Rights Agreement**" means the investor rights agreement dated February 18, 2021 between the Company and Osisko.

"**IPCC**" means the Intergovernmental Panel on Climate Change.

"**ISFL**" means BioCarbon Fund Initiative for Sustainable Landscapes.

"**IUCN RED**" means the International Union for Conservation of Nature Red List of Threatened Species.

"**Magdalena Bay Blue Carbon Stream**" means the amended and restated purchase and sale agreement entered into on July 24, 2023, among the Company, Fundación MarVivo Mexico, A.C. and MarVivo Corporation.

"**Magdalena Bay Blue Carbon Stream Participation Royalty**" means the amended and restated royalty agreement entered into on December 7, 2023, between the Company and Osisko.

"**March 2026 Warrants**" means Common Share purchase warrants of the Company expiring March 2, 2026.

"**Mast**" means Mast Reforestation SPV I, LLC, a Delaware limited liability company.

"**$MtCO_2e$**" means million tonnes of carbon dioxide equivalent.

"**Nalgonda Rice Farming Stream**" means the purchase and sale agreement entered into on September 28, 2022 between the Company and Core CarbonX.

"**NDC**" means Nationally Determined Contribution.

"**New Securities**" means, in respect of the Investor Rights Agreement, equity securities.

"**NGFS**" means the Network for Greening the Financial System.

"**NI 52-110**" means National Instrument 52-110 - *Audit Committees*.

"**Option**" means an incentive stock option issued under the Incentive Plan, each of which entitles the holder to purchase one Common Share under certain terms set out under the stock option agreements pursuant to which the Option was issued. See *"Description of Capital Structure —Options, Restricted Share Units and Performance Share Units"*.

"**Osisko**" means Osisko Gold Royalties Ltd.

"**Pipeline Agreement**" means the pipeline streaming framework agreement entered into on May 9, 2023 among the Company, Mast and the parent company of Mast, Droneseed Co. d/b/a Mast Reforestation.

"**Project Documents**" means the project documents submitted to a Standard Body.

"**project partner**" means the operator of the carbon project; the terms "project proponent" and "project developer" are also commonly used to identify the project partner.

"**PSU**" means a performance share unit of the Company issued pursuant to and governed by the Company's Incentive Plan; each PSU typically entitling the recipient to receive Common Shares, for no additional cash consideration, based on the achievement of certain performance milestones.

"**PYREG**" means PYREG GmbH, a German net-zero technology engineering and manufacturing company.

"**REDD**" means Reducing Emissions from Deforestation and forest Degradation, a framework developed by the UNFCCC.

"Reg 21" means Indonesia's Regulation 21.

"**Reg 98**" means Indonesia's Regulation 98 enacted and became effective on October 29, 2021.

"**Registry**" means a registry for the applicable Standard Body existing for the purpose of serializing and evidencing the origination, ownership, transfer and retirement of carbon credits or VERs, including, without limitation, Verra, the American Carbon Registry, the Climate Action Reserve, the Gold Standard and Puro.earth.

"**Restructuring**" means the Company's restructuring initiatives first announced in 2023 and continuing in 2024. See "*Description of the Business – Reorganizations*".

"**Rimba Raya Stream**" means the purchase and sale agreement that the Company entered into on July 30, 2021 with InfiniteEARTH.

"**RSU**" means a restricted share unit of the Company issued pursuant to and governed by the Company's Incentive Plan; each RSU typically entitling the recipient to receive Common Shares, for no additional cash consideration, based on the achievement of certain milestones (based on performance or the passage of time, for example).

"**SAA**" means the strategic alliance agreement that the Company entered into with InfiniteEARTH Limited and the Founders.

"**SD VISta Standard**" means the Sustainable Development Verified Impact Standard.

"**SEDAR+**" means the System for Electronic Document Analysis and Retrieval, found at www.sedarplus.ca.

"**September 2026 Warrants**" means Common Share purchase warrants of the Company expiring September 19, 2026.

"**SEMARNAT**" means the Secretariat of Environment and Natural Resources, Mexico's environment ministry.

"**Shareholders**" means, collectively, the registered and beneficial holders of the Common Shares.

"**Sheep Creek Reforestation Stream**" means the purchase and sale agreement entered into on May 9, 2023 among the Company, Mast and the parent company of Mast, Droneseed Co. d/b/a Mast Reforestation.

"**SMEs**" means small and medium enterprises.

“**Special Warrants**” means the 104,901,256 Special Warrants (pre-Consolidation) issued on July 19, 2021 pursuant to a private placement, at a price of $1.00 per Special Warrant which were automatically converted for no additional consideration on November 20, 2021 into to one unit consisting of one Common Share and one September 2026 Warrant.

“**Standard**” means the mandatory GHG related legislative or regulatory requirement administered by the voluntary GHG standard, program or scheme or a Governmental Authority, including a Registry and their applicable protocol(s) for the creation or use of carbon credits.

“**Standard Body**” means a governing body making final and binding determinations under a Standard.

“**Standard Biocarbon**” means Standard Biocarbon Corporation.

“**Stream Participation Right**” means Osisko’s exclusive right to participate in, and acquire up to 20% of, any stream, forward sale, prepay, royalty, off-take or similar transaction between the Company, as purchaser and/or creditor, and one or more third party counterparties.

“**SocialCARBON Standard**” means a framework developed in Brazil by the Ecológica Institute, to monitor social, environmental and economic Co-Benefits through 18 indicators.

“**Sustainable Community Stream**” means the purchase and sale agreement entered into on June 20, 2022 between the Company and Will Solutions Inc.

“**tCO_2**” means one tonne of carbon dioxide.

“**tCO_2e**” means one tonne of carbon dioxide equivalent.

“**TSX-V**” means the TSX Venture Exchange.

“**UNFCCC**” means the United Nations Framework Convention on Climate Change.

“**Unit**” means the 104,901,256 units (on a pre-Consolidation basis) issuable to the holders of 104,901,256 previously issued Special Warrants on July 19, 2021. Each Unit underlying a Special Warrant consists of a Common Share and one September 2026 Warrant.

“**UN SDGs**” means the United Nations’ Seventeen Sustainable Development Goals.

“**UpEnergy**” means UpEnergy Group.

"**Verra**” means Verra, an international institution based in Washington D.C. that manages a Standard and Registry.

“**VCS**” means Verified Carbon Standard, which is administered by Verra.

“**VCUs**” means verified carbon units, the carbon credit unit of the Verra Registry.

“**VERs**” means Verified Emission Reduction, the carbon credit unit of the Gold Standard Registry.

“**Vintage**” means the year in which the associated emission reductions or removals occurred.

“**Warrant**” means all warrants to purchase Common Shares issued by the Company, including without limitation the March 2026 Warrants and the September 2026 Warrants.

“**Waverly Biochar Stream**” means the purchase and sale agreement entered into on May 11, 2022 between the Company and Waverly RB, a subsidiary of Restoration Bioproducts LLC.

“**Waverly Biochar Royalty**” means the royalty agreement entered into on May 11, 2022 between the Company and Waverly RB, a subsidiary of Restoration Bioproducts LLC.

“**Waverly RB**” means Waverly RB SPE LLC.

“**Will Solutions**” means Will Solutions Inc.

“**WZ**” means WilsonZinter Enterprises Ltd.

APPENDIX "A"
AUDIT COMMITTEE CHARTER

See attached

AUDIT COMMITTEE CHARTER

This charter (this "**Charter**") sets forth the purpose, composition, responsibilities and authority of the Audit Committee (the "**Committee**") of the board of directors (the "**Board**") of Carbon Streaming Corporation (the "**Corporation**").

Section 1 Purpose

(1) The primary function of the Committee is to assist the Board by:

(a) recommending to the Board for consideration and further recommendation to the shareholders the appointment and compensation of the external auditor and overseeing the work of the external auditor, including the external auditor's qualifications, independence and performance;

(b) reviewing and approving the quarterly financial statements, the related Management Discussion and Analysis ("**MD&A**"), and similar financial information provided by the Corporation to any governmental body, the shareholders of the Corporation or the public, including by way of press release;

(c) reviewing and recommending that the Board approve annual financial statements, the related MD&A, and similar financial information provided by the Corporation to any governmental body, the shareholders of the Corporation or the public, including by way of press release; and

(d) satisfying itself that adequate procedures are in place for the compilation, calculation and review of the Corporation's disclosure of financial information extracted or derived from its financial statements, including periodically assessing the adequacy of such procedures; and

(e) establishing procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal controls or auditing matters, and for anything that may be required beyond the Corporation's Whistleblower Policy for the confidential, anonymous submission by employees of the Corporation or its subsidiary entities ("**subsidiaries**") of concerns regarding questionable accounting or auditing matters.

(2) The Committee should primarily fulfill these roles by carrying out the activities enumerated in this Charter.

Section 2 Composition and Membership

(1) The Committee must be comprised of a minimum of three directors, as appointed by the Board, each of whom shall be independent within the meaning of National Instrument 52-110 — *Audit Committees* ("NI 52-110") of the Canadian Securities Administrators.

(2) All of the members of the Committee must be financially literate within the meaning of NI 52-110. Being "financially literate" means members have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements.

(3) The members of the Committee and its Chair shall be elected by the Board on an annual basis, or until they are removed or their successors are duly appointed.

(4) The members of the Committee may be removed or replaced by the Board at any time. The Chair of the Committee may be removed by the Board at any time. Any member shall automatically cease to be a member of the Committee upon ceasing to be a director. The Board may fill vacancies on the Committee. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all of the powers of the Committee, so long as a quorum remains.

Section 3 Meetings

(1) Meetings of the Committee are held at such times and places as the Chair may determine, but in any event not less than at least four times per year.

(2) Meetings of the Committee shall be held from time to time and at such place as any member of the Committee shall determine upon 48 hours' notice to each of its members. The notice period may be waived by all members of the Committee. Each of the Chair of the Board, the external auditor, the Chief Executive Officer, the Chief Financial Officer or the Corporate Secretary shall also be entitled to call a meeting.

(3) The Chair, if present, will act as the chair of meetings of the Committee. If the Chair is not present at a meeting of the Committee, the Members in attendance may select one of their number to act as chair of the meeting.

(4) A majority of Members will constitute a quorum for a meeting of the Committee. Each Member will have one vote and decisions of the Committee are made by an affirmative vote of the majority of members present at the meeting. The Chair will not have a deciding or casting vote in the case of an equality of votes. In the case of a deadlock, the Chair will refer the matter to the Board. Powers of the Committee may also be exercised by written resolutions signed by all Members.

(5) To the extent possible, in advance of every regular meeting of the Committee, the Chair, with the assistance of the Corporate Secretary, should prepare and distribute to the Members and others as deemed appropriate by the Chair, an agenda of matters to be addressed at the meeting together with appropriate briefing materials.

(6) The Committee or its Chair should meet with management quarterly in connection with the Corporation's interim financial statements and the Committee should meet not less than quarterly with the auditor, independent of the presence of management.

Section 4 Duties and Responsibilities

In addition to the matters described in Section 1, and any other duties and authorities delegated to it by the Board from time to time, the role of the Committee is to:

(1) General

(a) Review and recommend to the Board changes to this Charter, as considered appropriate from time to time.

(b) Review any and all disclosure regarding the Committee as contemplated by NI 52-110.

(c) Summarize in the Corporation's disclosure materials the Committee's composition and activities, as required.

(2) Internal Controls

(a) Review and satisfy itself on behalf of the Board with respect to the adequacy of the Corporation's internal control systems, including in particular but not exclusively:

(i) management's identification, monitoring and development of strategies to avoid and/or mitigate business risks;

(ii) the adequacy of the security measures that are in place in respect of the Corporation's information systems and the information technology that is utilized by the Corporation; and

(iii) ensuring compliance with legal and regulatory requirements.

(3) Documents/Reports Review

(a) Review and recommend to the Board for approval the Corporation's annual financial statements, and review and approve the Corporation's quarterly financial statements, including in each case any certification, report, opinion or review rendered by the external auditor, and related MD&A. The process of reviewing annual and quarterly financial statements should include but not be limited to:

(i) reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial statements;

(ii) reviewing significant accruals, reserves or other estimates;

(iii) reviewing accounting treatment of unusual or non-recurring transactions;

(iv) reviewing disclosure requirements for commitments and contingencies;

(v) reviewing adjustments raised by the external auditor, whether or not included in the financial statements;

(vi) reviewing unresolved differences between management and the external auditor;

(vii) obtaining explanations of significant variances with comparative reporting periods; and

(viii) determining through inquiry if there are any related party transactions and ensure the nature and extent of such transactions are properly disclosed.

(b) Seek to ensure that adequate procedures are in place for the review of the Corporation's disclosure of financial information extracted or derived from the Corporation's financial statements and periodically assess the adequacy of those procedures.

(4) External Auditor

(a) Recommend to the Board the nomination of the external auditor for shareholder approval, considering independence and effectiveness, and review the fees and other compensation to be paid to the external auditor.

(b) Advise the external auditor that it is required to report directly to the Committee, and not to management of the Corporation and, if it has any concerns regarding the conduct of the Committee or any member thereof, it should contact the Chair of the Board or any other director.

(c) Monitor the relationship between management and the external auditor including reviewing any management letters or other reports of the external auditor and discussing any material differences of opinion between management and the external auditor.

(d) Review and discuss, with the external auditor all significant relationships they have with the Corporation, its management or employees to determine their independence.

(e) Review and approve requests for any material management consulting or other engagement to be performed by the external auditor and be advised of any other material study undertaken by the external auditor at the request of management that is beyond the scope of the audit engagement letter and related fees.

(f) Review the performance of the external auditor and any proposed dismissal or non-renewal of the external auditor when circumstances warrant.

(g) Periodically consult with the external auditor out of the presence of management about significant risks or exposures, internal controls and other steps that management has or has not taken to control such risks, and the fullness and accuracy of the financial statements, including the adequacy of internal controls to expose any payments, transactions or procedures that might be deemed illegal or otherwise improper.

(h) Review with the external auditor (and an internal auditor if one is appointed by the Corporation) their assessment of the internal controls of the Corporation, their written reports containing recommendations for improvement, and management's response and follow-up to any identified weaknesses.

(i) Communicate directly with the external auditor, and arrange for the external auditor to report directly to the Committee and to be available to the Committee and the full Board as needed.

(5) Financial Reporting Processes

(a) Review the integrity of the financial reporting processes, both internal and external, in consultation with the external auditor as the Committee sees fit.

(b) Consider the external auditor's judgments about the quality, transparency and appropriateness, not just the acceptability, of the Corporation's accounting principles and financial disclosure practices, as applied in its financial reporting, including the degree of aggressiveness or conservatism of its accounting principles and underlying estimates, and whether those principles are common practices or are minority practices relative to the Corporation's peers.

(c) Review all material balance sheet issues, material contingent obligations (including those associated with material acquisitions or dispositions) and material related party transactions.

(d) Consider proposed major changes to the Corporation's accounting principles and practices.

(6) Reporting Process

(a) If considered appropriate, establish separate systems of reporting to the Committee by each of management and the external auditor.

(b) Review the scope and plans of the external auditor's audit and reviews. The Committee may authorize the external auditor to perform supplemental reviews or audits as the Committee may deem desirable.

(c) Review annually with the external auditor their plan for their audit and, upon completion of the audit, their reports upon the financial statements of the Corporation and its subsidiaries.

(d) Periodically consider the need for an internal audit function, if not present.

(e) Review any significant disagreements between management and the external auditor in connection with the preparation of the financial statements.

(f) Where there are significant unsettled issues between management and the external auditor that do not affect the audited financial statements, the Committee shall seek to ensure that there is an agreed course of action leading to the resolution of such matters.

(g) Review with the external auditor and management significant findings during the year and the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented. This review should be conducted at an appropriate time subsequent to implementation of changes or improvements, as decided by the Committee.

(h) Review the system in place to seek to ensure that the financial statements, related MD&A and other financial information disseminated to governmental organizations and the public satisfy applicable requirements.

(i) When there is to be a change in auditor, review the issues related to the change and the information to be included in the required notice to securities regulators of such change.

(7) Risk Management

(a) Review program of risk assessment and steps taken to address significant risks or exposures of all types, including insurance coverage and tax compliance.

(8) General

(a) If considered appropriate, conduct or authorize investigations into any matters within the Committee's scope of activities.

(b) Perform any other activities as the Committee deems necessary or appropriate.

Section 5 Reporting

(1) At the request of the chair of the Board, the Chair will report to the Board at Board meetings on the Committee's activities since the last Committee report to the Board.

Section 6 Access to Information and Authority

(1) For purposes of performing their duties, members of the Committee shall have full access to all corporate information and any other information deemed appropriate by them and shall be permitted to discuss such information and any other matters relating to the financial position of the Corporation with senior employees, officers and the external auditor, and others as they consider appropriate.

(2) The Committee has the authority to retain, at the Corporation's expense, independent legal, financial and other advisors, consultants and experts, to assist the Committee in fulfilling its duties and responsibilities (including executive search firms to assist the Committee in

identifying director candidates), including sole authority to retain and to approve any such firm's fees and other retention terms without prior approval of the Board.

Section 7 Complaint Procedures

(1) The Chair of the Committee is designated to receive and administer or supervise the administration of employee complaints with respect to accounting or financial control matters.

(2) In order to preserve anonymity when submitting a complaint regarding questionable accounting or auditing matters, the employee may submit a complaint in accordance with the Corporation's Whistleblower Policy, and such complaint shall be addressed in accordance with that policy.

(3) The Chair of the Committee should maintain a log of complaints, tracking their receipt, investigation, findings and resolution, and should prepare a summary report for the Committee.

Section 8 Review of Charter and Committee

(1) The Committee shall periodically review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration.

(2) The Committee will conduct an annual self-assessment of its performance with respect to its purpose and authority and responsibilities set forth in this Charter. The results of the self-assessment will be reported to the Board.

Dated: February 13, 2023
Approved by: Board of Directors of the Corporation