



Cboe CA: **NETZ**

OTCQB: **OFSTF** | FSE: **M2Q**

## NEWS RELEASE

# CARBON STREAMING ANNOUNCES CORPORATE UPDATE AND LEGEND REMOVAL PROCESS FOR ALL U.S. INVESTORS FROM THE 2021 FINANCINGS

TORONTO, ON, June 17, 2025, Carbon Streaming Corporation (Cboe CA: **NETZ**) (OTCQB: **OFSTF**) (FSE: **M2Q**) ("**Carbon Streaming**" or the "**Company**") today provides a corporate update and announces legend removal process for all U.S. investors from the 2021 Financings (as defined below).

### Highlights:

- **Restrictive Legend Removal:** The Company has finalized the process to offer qualifying U.S. investors who participated in the 2021 Financings (as defined below) the opportunity to remove the restrictive legend on share certificates at no cost to the investor. This legend on the share certificates renders the securities "restricted securities" as defined in Rule 144 of the Securities Act of 1933 and restricts these investors from selling stock.
- **Cash Conservation Update:** In February 2025, the Company converted US\$18.0 million to Canadian dollars at an exchange rate of 1.42. Since then, the US dollar to Canadian dollar exchange rate has decreased to 1.36 as of June 16, 2025, resulting in a foreign exchange gain of approximately US\$0.8 million on that portion of the cash. The Company currently holds US\$37.0 million (C\$50.3 million) in cash, remains debt-free, and has no outstanding legal payables.
- **Credit Portfolio Update:** The Company currently holds 532,720 carbon credits from cookstove projects and 18,990 carbon credits from water purification projects under the Community Carbon Stream. A breakdown of credit vintage, project ID and registry information is provided below.
- **Notice of Arbitration:** The Company has filed a Notice of Arbitration in Ontario against Will Solutions Inc.
- **AGM Reminder:** The Company's Annual General Meeting (the "**AGM**") of holders of common shares of the Company ("**Common Shares**") will be held on June 18<sup>th</sup>, 2025, at 9:30 a.m. (Vancouver time), at the offices of Farris LLP, 25<sup>th</sup> Floor, 700 W Georgia Street, Vancouver, British Columbia, Canada.

### **Restrictive Legend Removal:**

The Company has finalized the process to offer qualifying U.S. investors who participated in the 2021 Financings (defined below) the opportunity to remove the restrictive legend from their share certificates—or from book-entry shares, as applicable—without the need for the shareholder to pay for a legal opinion, regardless of whether a particular shareholder intends to sell or actually sells the shares into the public market. This service is being provided at no cost to all qualifying investors. This legend on the share certificates renders the securities “restricted securities” as defined in Rule 144 of the Securities Act of 1933 and restricts these investors from selling stock.

The blanket opinion provides that the removal of the restrictive legend is now permissible under Section 4(a)(1) of the Securities Act of 1933.

While removing the legend is permissible, it is not required. Shareholders are not required to take any action if they prefer to keep the restrictive legend in place.

Marin Katusa, CEO of the Company, stated “The vast majority of the capital raised for Carbon Streaming came from the financings throughout the 2021 calendar year. Since those financings in 2021, over 700 U.S. residents who invested in those financings have been unable to deposit their shares into a brokerage firm or freely sell those shares because of the restrictive legend that is applied to U.S. investors investing in private placements.

The typical process to remove a restrictive legend is done on a one-off basis, meaning each U.S. resident must complete the removal of the restrictive legend on their own. This is the first time a publicly listed Canadian company, such that we are aware, has offered the removal of the restrictive legend through a digitalized process applicable to a large group of U.S. investors (over 700 shareholders at the same time) to simplify and expediate the process of removing the restrictive U.S. legend.

We approached DealMaker in early 2025 with the concept to digitalize the legend removal process for the U.S. investors. The Company worked with DealMaker on the 2021 Financings where all subscription forms were digitalized and the funding process was completed.

I am especially proud of the innovation of this potential solution to U.S. legend removals, as it will ultimately cost less than 5% of the quotes the Company initially received to obtain a global opinion letter for the removal the U.S. restrictive legend through the traditional process. In addition, DealMaker has agreed to not charge for their services.”

### ***Eligibility for Blanket Removal***

Holders of Common Shares are eligible if they are US residents, non affiliates and acquired the Common Shares pursuant to:

- that certain private placement of special warrants issued on July 20, 2021,
- that certain private placement of Common Shares issued on March 11, 2021,
- that certain private placement of Common Shares issued on May 12, 2021,
- that certain private placement of Common Share issued on January 27, 2021,
- that certain private placement of units, with each unit consisting of one Common Share and one share purchase warrant to purchase one Common Share, issued on December 22, 2020, and

- that certain private placement of units, with each unit consisting of one Common Share and one share purchase warrant to purchase one Common Share, issued on December 16, 2020.

(collectively, the “**2021 Financings**”)

#### ***Timing and Process to Participate in Blanket Removal***

Holders who are eligible will receive an email from DealMaker on or about June 23, 2025 with instructions on how to participate.

If you are a U.S. investor and do not want to register your shares into a brokerage account or sell your shares, then no action is required. This service is being offered by the Company to U.S. investors who acquired their shares in the 2021 Financings, are not affiliates and who have the restrictive legend on their share certificates—or book-entry shares, as applicable and wish to deposit them in a brokerage account or sell their shares in the public market.

Marin Katusa, CEO, further added: “DealMaker handled the 2021 Financings for the Company which included the digitalizing subscription forms and managing the subscription wires from the investors in a professional, efficient and low-cost manner. We strongly believe that this innovative solution we have created with DealMaker to remove the U.S. restrictive legends will be equally successful. We are grateful for DealMaker’s innovative approach and commitment to excellence, which continues to streamline our investor communications and elevate the overall experience for our shareholders.”

#### **Cash Conservation**

As of June 16, 2025, the Company has US\$37.0 million in cash (C\$50.3 million), remains debt-free, and has no outstanding legal payables. With cash generated from the sale of carbon credits held by the Company, interest earned on the Company’s cash balance, and substantial reductions in operating expenses to date, the Company expects a significant improvement in operating cash flow in 2025 when compared to previous years. The Company currently has three full-time employees and a part-time CFO, with a combined annual base compensation of approximately US\$0.5 million, while the CEO and Board of Directors are not collecting any salaries, fees, nor equity-based compensation of any kind.

## Carbon credits held by the Company as of June 16, 2025

Project	Registry	Project ID	Vintage	Credits available for sale
Uganda cookstove project	Gold Standard	GS12119	2022	53,801
		GS10967	2023	129,383
		GS12119	2023	199,340
		GS12120	2023	41,514
		GS12120	2024	15,432
				439,470
Uganda household safe water project	Gold Standard	GS10968	2022	38
		GS10968	2023	14,373
				14,411
Tanzania cookstove project	Verra	VCS2676	2022	27,492
		VCS2676	2023	60,788
				88,280
Mozambique cookstove project	Gold Standard	GS11211	2022	1,401
	Gold Standard	GS12638	2023	3
	Gold Standard	GS12638	2024	296
	Gold Standard	GS11211	2024	3,270
				4,970
Malawi household safe water project	Gold Standard	GS11245	2022	988
	Gold Standard	GS11245	2023	3,310
	Gold Standard	GS11245	2024	281
				4,579

The Company has been in discussions with several different parties regarding the sale of its existing carbon credits. While current market pricing for cookstoves remains weak, the Company continues to advance its marketing efforts. A new initiative by the Company leverages AI-driven analysis of public disclosures to identify active buyers of environmental attributes. This effort is helping the Company more effectively target potential buyers for its current credit inventory, without incurring additional cost.

### Notice of Arbitration - Will Solutions.

On June 16, 2025, the Company delivered a written Notice of Arbitration in Ontario to Will Solutions Inc. and the ADR Chambers. As previously disclosed, in the third quarter of 2024, the Company exercised its contractual rights to terminate the purchase sale agreement dated June 20, 2022 with Will Solutions Inc. (the “**Sustainable Community Stream**”) as a result of, among other things, the failure of Will Solutions Inc. to meet its milestone related to the registration of its Ontario project and its failure to develop and implement the project in accordance with the project plan (including continued delays in project development activities and lower-than-expected project enrollments). The Company has advanced \$4.0 million of the upfront deposit to Will Solutions Inc. under the Sustainable Community Stream. The Company will continue to pursue all of its rights and interests.

### 2025 Annual General Meeting

The Company’s AGM will be held on June 18<sup>th</sup>, 2025, at 9:30 a.m. (Vancouver time), at the offices of Farris LLP, 25<sup>th</sup> Floor, 700 W Georgia Street, Vancouver, British Columbia, Canada.

## About Carbon Streaming

Carbon Streaming's focus is on projects that generate high-quality carbon credits and have a positive impact on the environment, local communities, and biodiversity, in addition to their carbon reduction or removal potential.

### ON BEHALF OF THE COMPANY:

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## Cautionary Statement Regarding Forward-Looking Information

This news release contains certain forward-looking statements and forward-looking information (collectively, "**forward-looking information**") within the meaning of applicable securities laws. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future, are forward-looking information, including, without limitation, the impact of the Company's restructuring strategies, including evaluation of strategic alternatives; the ability of the Company to execute on expense reductions and savings from operating cost reduction measures; statements with respect to cash conservation; its sales strategy; supporting the Company's carbon streaming and royalty partners; statements with respect to the eligibility, timing, process and completion of restrictive legend removal; statements with respect to the expected improvement in operating cash flow in 2025 when compared to previous years; statements with respect to the effectiveness and cost of AI-driven analysis of public disclosures to identify active buyers of environmental attributes; statements regarding the Company's intention to pursue all of its rights and interests under the Sustainable Community Stream; and statements with respect to the timing of the Company's AGM.

When used in this news release, words such as "estimates", "expects", "plans", "anticipates", "will", "believes", "intends" "should", "could", "may" and other similar terminology are intended to identify such forward-looking information. This forward-looking information is based on the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking information is subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. They should not be read as a guarantee of future performance or results and will not necessarily be an accurate indication of whether or not such results will be achieved. Factors that could cause actual results or events to differ materially from current expectations include, among other things: 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 environmental, social and governance initiatives and subsequent changes in corporate or government policies or regulations and associated changes in demand for carbon credits; the Company's expectations and plans with respect to current litigation, arbitration and regulatory proceedings; limited operating history for the Company's current strategy; concentration risk; inaccurate estimates of project value, which may impact the ability of the Company to execute on its growth and diversification strategy; dependence upon key management; impact of corporate restructurings; the inability of the Company to optimize cash flows or sufficiently reduce operating expenses; reputational risk; risks arising from competition and future acquisition activities 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 (and other risks associated with carbon credits standards and registries); 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; due diligence risks, including failure of third parties' reviews, reports and projections to be accurate; dependence on project partners, operators and owners, including failure by such counterparties to make payments or perform their operational or other obligations to the Company in compliance with the terms of contractual arrangements between the Company and such counterparties; failure of projects to generate carbon credits, or natural disasters such as flood or fire which could have a material adverse effect on the ability of any project to generate carbon credits; volatility in the market price of the Company's common shares or warrants; the effect that the issuance of additional securities by the Company could have on the market price of the Company's common shares or warrants; global health crises, such as pandemics and epidemics; and the other risks disclosed under the heading "Risk Factors" and elsewhere in the Company's Annual Information Form dated as of March 31, 2025 filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

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