



Cboe CA: **NETZ**  
OTCQB: **OFSTF** | FSE: **M2Q**

## NEWS RELEASE

# CARBON STREAMING ANNOUNCES FINANCIAL RESULTS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025

TORONTO, ON, August 14, 2025, Carbon Streaming Corporation (Cboe CA: **NETZ**) (OTCQB: **OFSTF**) (FSE: **M2Q**) (“**Carbon Streaming**” or the “**Company**”) today reported its financial results for the three and six months ended June 30, 2025. All figures are expressed in United States dollars, unless otherwise indicated.

Carbon Streaming Chief Executive Officer Marin Katusa stated: “In the second quarter of 2025, Carbon Streaming continued to make significant progress in improving financial sustainability, achieving its best quarterly operating cash flow and lowest quarterly operating expenses since the Company began operations, while continuing to evaluate strategic alternatives. Ongoing operating expenses have decreased substantially compared to prior years, and by the second quarter of 2025, the number of individuals at the Company receiving a full-time salary was reduced to three. Our priority in 2025 is to continue maximizing value from our existing portfolio while exploring all strategic options to enhance shareholder value, including acquisitions, divestments, corporate transactions, and strategic partnerships. To that end, in July 2025, we reached settlements related to the Rimba Raya Stream and the Magdalena Bay Blue Carbon Stream, delivering cash proceeds, the cancellation of previously issued shares, and the retention of certain future rights — resolving two significant assets in our portfolio. We also progressed the removal of the U.S. legend from the securities issued in our 2021 financings, opening the door to broader trading access for U.S. investors. Although the voluntary carbon market continues to face challenging conditions, we remain committed to adapting to market realities and identifying the best path forward for our shareholders. In line with this commitment to shareholders, we have recently filed a statement of claim against certain former executives, board members, consultants, and associated entities in order to hold the defendants to account for actions that have caused financial harm to the Company, as outlined in the lawsuit. And with respect to the Sustainable Community Stream and the Amazon Portfolio Royalty, the Company remains focused on protecting our investments and preserving our rights — as we will with all our investments.”

### Quarterly Highlights

- Ended the quarter with \$37.1 million in cash and no corporate debt. The Company continues to earn interest income on its cash.
- Reduced the number of individuals receiving full-time salaries at the Company – including employees, consultants, and directors – from 24 at the start of 2024 to three full-time employees by June 2025. The Chief Executive Officer does not collect a salary, the Chief Financial Officer receives a part-time salary, and the Company has eliminated cash-settled director’s fees to its board of directors (“**Board**”).
- Recognized a net loss on revaluation of carbon credit streaming and royalty agreements of \$1.5 million (net loss on revaluation of \$0.1 million in Q2 2024). The net loss on revaluation for the current period was

primarily related to the decrease in the fair value of the Amazon Portfolio Royalty, along with changes to the risk-adjusted discount rate and accretion due to the passage of time.

- The Company has significantly reduced ongoing operating expenses and is continuing to review its existing streams and royalties and in the second quarter of 2025, achieved its strongest quarterly net operating cash flow and adjusted net income since the Company began operations.
- Generated \$259 thousand in cash settlements from carbon credit streaming and royalty agreements (settlements of \$507 thousand in Q2 2024).
- Operating loss of \$1.8 million (operating loss of \$3.0 million in Q2 2024).
- Recognized net loss of \$1.3 million (net loss of \$2.8 million in Q2 2024).
- Adjusted net income of \$0.6 million (adjusted net loss of \$1.7 million in Q2 2024) (see the “*Non-IFRS Accounting Standards Measures*” section of this news release).
- Paid \$nil thousand in upfront deposits for carbon credit streaming and royalty agreements (paid \$4.4 million in upfront deposits in Q2 2024).
- In April 2025, the Company announced that it had filed a lawsuit in the Ontario Superior Court of Justice against several former executives, directors, consultants, and associated entities. Please refer to the Company’s news release titled “*Carbon Streaming Announces Filing of Claim Against Former Executives and Consultants*” for further information.

## Financial Highlights Summary

	Three months ended June 30, 2025	Three months ended June 30, 2024	Six months ended June 30, 2025	Six months ended June 30, 2024
<b>Carbon credit streaming and royalty agreements</b>				
Revaluation of carbon credit streaming and royalty agreements	\$ (1,495)	\$ (129)	\$ (1,446)	\$ (33,265)
Settlements from carbon credit streaming and royalty agreements <sup>1</sup>	259	507	261	913
<b>Other financial highlights</b>				
Other operating expenses	318	2,918	1,719	6,627
Operating loss	(1,794)	(3,025)	(3,145)	(39,781)
Net loss	(1,282)	(2,772)	(2,104)	(38,543)
Loss per share (Basis and Diluted) (\$/share)	(0.02)	(0.06)	(0.04)	(0.81)
Adjusted net income (loss) <sup>2</sup>	608	(1,650)	100	(3,246)
Adjusted net income (loss) per share (Basic and Diluted) (\$/share) <sup>2</sup>	0.01	(0.03)	0.00	(0.07)
<b>Statement of financial position</b>				
Cash <sup>3</sup>	37,105	43,458	37,105	43,458
Carbon credit streaming and royalty agreements <sup>3</sup>	7,538	31,371	7,538	31,371
Total assets <sup>3</sup>	46,110	78,823	46,110	78,823
Non-current liabilities <sup>3</sup>	33	1,076	33	1,076

1. *Relates to the net cash proceeds generated from the Company's carbon credit streaming and royalty agreements.*
2. *"Adjusted net income (loss)", including per share amounts, is a non-IFRS® Accounting Standards (the "**IFRS Accounting Standards**") financial performance measure that is used in this news release. This measure does not have any standardized meaning under the IFRS Accounting Standards and therefore may not be comparable to similar measures presented by other issuers. For more information about this measure, why it is used by the Company, and a reconciliation to the most directly comparable measure under the IFRS Accounting Standards, see the "Non-IFRS Accounting Standards Measures" section of this news release.*
3. *Cash, carbon credit streaming and royalty agreements, total assets and non-current liabilities are presented as at the relevant tabular reporting date.*

## Portfolio Updates

**Rimba Raya Stream:** In October 2024, the Company initiated arbitration and legal proceedings against InfiniteEARTH Limited, its Indonesian subsidiary PT InfiniteEARTH Nusantara, and certain shareholders and principals of InfiniteEARTH (collectively, "**InfiniteEARTH**"), relating to alleged breaches of the Rimba Raya Stream and Strategic Alliance Agreement. These actions included bifurcated arbitration proceedings and a civil claim in the Ontario Superior Court of Justice, following a notice from InfiniteEARTH indicating intent to abandon the Rimba Raya project, which the Company contested. See the sections of the Company's AIF entitled "*Overview of the Company's Carbon Credit Projects*" and "*Legal Proceedings and Regulatory Actions*" for additional details.

On July 24, 2025, the Company announced that it had entered into settlement agreements with InfiniteEARTH to resolve the dispute. The key terms of the settlement agreement include: the Company receiving \$0.7 million in cash from InfiniteEARTH; certain principals of InfiniteEARTH surrendering for cancellation, 4,539,180 common shares in the capital of the Company issued in connection with the Strategic Alliance Agreement; all existing contracts and legal relationships between Carbon Streaming and InfiniteEARTH terminate; and dismissal of the arbitration proceedings and the civil claim in the Ontario Superior Court of Justice. Implementation of the terms of the settlement agreement are in progress and are expected to be completed in the third quarter of 2025. For additional details about the proceedings and the settlement, please see the Company's press release titled "*Carbon Streaming Initiates Claims in Connection With the Rimba Raya Project*" dated October 17, 2024, and the Company's press release titled "*Carbon Streaming Announces Settlement Agreements Related to Rimba Raya and Marvivo Projects*" dated July 24, 2025.

**Magdalena Bay Blue Carbon Stream:** On July 24, 2025, the Company reached a settlement with Fundación MarVivo México, A.C. and MarVivo Corporation (collectively, "**MarVivo**") in connection with the Magdalena Bay Blue Carbon Stream. The Company accepted the abandonment of the project by the counterparties, retained certain rights for a seven-year period should the project be reactivated, and all parties agreed to a mutual release. Please refer to the Company's news release titled "*Carbon Streaming Announces Settlement Agreements Related to Rimba Raya and Marvivo Projects*" for further information.

**Amazon Portfolio Royalty:** As of June 30, 2025, the counterparties under the Amazon Portfolio Royalty were in arrears on the minimum royalty payments owed. The Company is actively engaged with all counterparties to recover these amounts and, in August 2025, issued a Notice of Dispute, Claim or Controversy to Future Carbon International LLC, the counterparty to a portion of the Amazon Portfolio Royalty. All outstanding amounts accrue interest at 11.8% per annum from the applicable due date. The Company intends to strictly enforce its legal and contractual rights under the Amazon Portfolio Royalty.

**Sustainable Community Stream:** In the second quarter of 2025, the Company initiated arbitration proceedings against Will Solutions Inc. ("**Will Solutions**") in connection with the termination of the Sustainable Community Stream. The termination, which was exercised by the Company in the third quarter

of 2024, followed Will Solutions' failure to meet a key milestone related to the registration of its Ontario project and ongoing non-compliance with the project plan, including delays in development activities and lower-than-expected enrollment. In July 2025, Will Solutions delivered a response and counterclaim. The Company believes the counterclaim is without merit and, based on its assessment of the facts and current legal advice, considers the probability of an economic outflow to be remote.

**Citadelle:** In June 2025, the Company reached a settlement with Citadelle Maple Syrup Producers' Cooperative ("**Citadelle**") to resolve a lawsuit filed in December 2024 for the return of \$0.3 million in upfront funding provided by the Company to Citadelle, plus 12% annualized return, in connection with a planned grouped sugar maple afforestation, reforestation, revegetation and ecosystem restoration project in Quebec, Canada. Under the terms of the settlement, the Company received \$0.2 million in cash for full and final resolution of lawsuit. This amount was recognized as a gain from contract settlement for the three and six months ended June 30, 2025 and was collected by the Company from Citadelle in July 2025.

**Feather River Reforestation Stream:** In July 2025, Mast informed the Company that Mast no longer expects to complete the Feather River Reforestation project. The Company has responded to Mast's communication. The Company is continuing to evaluate all legal avenues available under the Feather River Reforestation Stream. As a result, the Company does not anticipate generating cash flow from the Feather River Reforestation Stream and its fair value is \$nil as of June 30, 2025.

## **Strategy**

Carbon Streaming is focused on maximizing value from the existing portfolio while evaluating all strategic options, including acquisitions, divestments, corporate transactions, financings, other strategic partnership opportunities or continuing to operate as a public company. The Company's carbon credit streaming agreements retain a portion of the cash flows from carbon credit sales, with stream-specific retention varying. Cash flows are subject to fluctuations based on realized carbon credit prices and agreement terms.

## **Outlook**

Carbon Streaming continues to reposition itself for success and for maximizing shareholder value amid ongoing challenges, remaining focused on cash flow optimization through the reduction of operating expenses and a reassessment of its existing streams and royalties. In the first half of 2025, the Company has significantly reduced employee headcount and renegotiated and amended vendor agreements to lower costs. As the Company's broader strategy continues to evolve, these steps have resulted in significant reductions to annualized ongoing operating expenses when compared to 2024.

While the Company aims to generate cash flow through the sale of carbon credits over the next year, there remains ongoing uncertainty regarding the evolving nature of carbon markets, including potential registry delays, project-specific issues, and methodology-related risks, in addition to impacts the industry may face as a result of general economic, political and regulatory conditions. In 2024, the Company recognized a decrease in the fair values of various assets to \$nil as a result of the failure of the respective projects to meet their obligations under the stream agreements and ongoing legal disputes. Subsequent to June 30, 2025, the Company reached settlements related to the Rimba Raya Stream and the Magdalena Bay Blue Carbon Stream, which will result in cash proceeds, the cancellation of previously issued shares of the Company, and the retention of certain future rights, bringing resolution to these two assets. The Company continues to pursue all available legal remedies to protect its investments and enforce its contractual rights. Given the multiple ongoing litigation matters, the outcomes remain uncertain and could materially impact the Company's financial position and strategic direction. Please refer to the "*Legal Proceedings*" section of the Company's most recently filed MD&A for further information.

For a comprehensive discussion of the risks, assumptions and uncertainties that could impact the Company's strategy and outlook, including without limitation, changes in demand for carbon credits and Indonesian developments described herein, investors are urged to review the section of the Company's most recently filed AIF entitled "Risk Factors" a copy of which is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## **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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## **Non-IFRS Accounting Standards Measures**

### **Adjusted Net Income (Loss) and Adjusted Net Income (Loss) Per Share**

The term "adjusted net income (loss)" in this news release is not a standardized financial measure under the IFRS Accounting Standards and therefore may not be comparable to similar measures presented by other companies where similar terminology is used. These non-IFRS Accounting Standards measures should not be considered in isolation or as a substitute for measures of performance, cash flows and financial position as prepared in accordance with the IFRS Accounting Standards. Management believes that these non-IFRS Accounting Standards measures, together with performance measures and measures prepared in accordance with the IFRS Accounting Standards, provide useful information to investors and shareholders in assessing the Company's liquidity and overall performance.

Adjusted net income (loss) is calculated as net and comprehensive loss and adjusted for the revaluation of carbon credit streaming and royalty agreements, the revaluation of warrant liabilities, the impairment of early deposit interest receivable, the gain on dissolution of associate, the gain on contract settlement, and the litigation and corporate restructuring which the Company views as having a significant non-cash or non-continuing impact on the Company's net and comprehensive loss calculation and per share amounts. Adjusted net income (loss) is used by the Company to monitor its results from operations for the period.

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

	Three months ended June 30, 2025	Three months ended June 30, 2024	Six months ended June 30, 2025	Six months ended June 30, 2024
<b>Net loss and comprehensive loss</b>	<b>\$ (1,282)</b>	<b>\$ (2,772)</b>	<b>\$ (2,104)</b>	<b>\$ (38,543)</b>
Adjustment for non-continuing or non-cash settled items:				
Revaluation of carbon credit streaming and royalty agreements	<b>1,495</b>	129	<b>1,446</b>	33,265
Revaluation of warrant liabilities	<b>27</b>	267	<b>(87)</b>	(67)
Impairment of early deposit interest receivable	-	307	-	307
Gain on dissolution of associate	-	(104)	-	(104)
Gain on contract settlement	<b>(183)</b>	-	<b>(183)</b>	-
Litigation and corporate restructuring	<b>551</b>	523	<b>1,028</b>	1,896
Adjusted net income (loss)	<b>608</b>	(1,650)	<b>100</b>	(3,246)
Loss per share (Basic and Diluted) (\$/share)	<b>(0.02)</b>	(0.06)	<b>(0.04)</b>	(0.81)
<b>Adjusted net income (loss) per share (Basic and Diluted) (\$/share)</b>	<b>0.01</b>	(0.03)	<b>0.00</b>	(0.07)

### Cautionary Statement Regarding Forward-Looking Information

This news release contains certain forward-looking statements and forward-looking information (collectively, “**forward-looking information**”) within the meaning of applicable securities laws. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future, are forward-looking information, including, without limitation, statements regarding the anticipated impact of changes to the Company’s Board and management; 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 flow optimization and generation; its sales strategy; supporting the Company’s carbon streaming and royalty partners; timing and the amount of future carbon credit generation and emission reductions and removals from the Company’s existing streaming and royalty agreements; statements with respect to the projects in which the Company has streaming and royalty agreements in place; statements with respect to the Company’s growth objectives and potential and its position in the voluntary carbon markets; statements with respect to execution of the Company’s portfolio and partnership strategy; statements regarding the Company holding certain former executives, directors, consultants, and associated entities to account; the impact of the Company’s restructuring strategies; statements regarding implementing the terms of the settlement agreement and the timing thereof, statements with respect to the merits of the counterclaim from Will Solutions Inc.; and statements regarding the Company’s intention to strictly enforce its legal and contractual rights under the Amazon Portfolio Royalty.

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.