



Cboe CA: **NETZ**

OTCID: **OFSTF** | FSE: **M2Q**

NEWS RELEASE

CARBON STREAMING ANNOUNCES FINANCIAL RESULTS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2026

TORONTO, ON, August 12, 2026, Carbon Streaming Corporation (Cboe CA: **NETZ**) (OTCID: **OFSTF**) (FSE: **M2Q**) (“**Carbon Streaming**” or the “**Company**”) today reported its financial results for the three and six months ended June 30, 2026. All figures are expressed in United States dollars, unless otherwise indicated.

Carbon Streaming Chief Executive Officer Marin Katusa stated: “During the second quarter of 2026, Carbon Streaming continued the mandate to strengthen its financial position and maximize value from its existing assets. During the quarter, we completed the repayment arrangements related to the Amazon Portfolio Royalty, resulting in \$1.06 million of cash proceeds. The corporate priority continues to be to maximize value from our existing assets while exploring all strategic options to enhance shareholder value which includes acquisitions, divestments, corporate transactions, and strategic partnerships.

In line with this commitment to shareholders, the Company continues to pursue its statement of claim against certain former executives, board members, consultants, and associated entities to hold the defendants accountable for actions that have caused financial harm to the Company, as outlined in the lawsuit. While certain defendants have filed counterclaims, we believe these to be without merit and have filed a defense to these counterclaims to vigorously defend our position. Looking ahead, we remain focused on protecting all our Stream investments, preserving our rights, and pursuing opportunities that can unlock long-term value for shareholders.”

Quarterly Highlights

- Ended the quarter with \$36.7 million in cash and no corporate debt (US\$11.0 million and C\$36.5 million). The Company continues to earn interest income on its cash.
- Recognized a net loss on revaluation of carbon credit streaming and royalty agreements of \$1.3 million (net loss on revaluation of \$1.5 million for Q2 2025).
- Generated \$0.2 million in cash settlements from carbon credit streaming and royalty agreements (settlements of \$259 thousand in Q2 2025).
- Operating loss of \$2.5 million (operating loss of \$1.8 million in Q2 2025).
- Recognized net loss of \$2.8 million (net loss of \$1.3 million in Q1 2025).

Summary of Financial Results

	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Revaluation of carbon credit streaming and royalty agreements	\$ (1,319)	\$ (1,495)	\$ (950)	\$ (1,446)
Revenue from sale of purchased carbon credits	-	25	-	26
Cost of purchased carbon credits sold	-	(6)	-	(6)
Other operating expenses				
Salaries and fees	(141)	(174)	(276)	(461)
Share-based compensation	28	(260)	164	(236)
Marketing	(19)	(36)	(22)	(35)
Audit, other professional & regulatory fees	(87)	(116)	(138)	(241)
Consulting fees	-	(1)	-	(31)
Insurance	(100)	(99)	(198)	(200)
Office and general	(18)	(40)	(16)	(55)
Foreign exchange (loss) gain	(481)	986	(937)	775
Corporate restructuring	-	(259)	-	(332)
Legal and litigation	(336)	(319)	(716)	(903)
Other operating expenses	(1,154)	(318)	(2,139)	(1,719)
Operating loss	(2,473)	(1,794)	(3,089)	(3,145)
Other items				
(Loss) Gain on contract settlement	(1,617)	183	100	183
Revaluation of equity investments	993	-	993	-
Revaluation of warrant liabilities	-	(27)	31	87
Finance income	280	356	563	771
Net loss and comprehensive loss	(1,282)	(1,282)	(2,104)	(2,104)
Settlements from carbon credit streaming and royalty agreements	200	259	716	261

Summary of Financial Position

	As at June 30, 2026	As at December 31, 2025
Cash	\$ 36,692	\$ 39,146
Other current assets	132	279
Non-current assets	7,784	7,090
Total assets	\$ 44,608	\$ 46,515
Current liabilities	1,470	1,927
Non-current liabilities	-	66
Total liabilities	1,470	1,993
Total shareholders' equity	43,138	44,522
Total liabilities and shareholders' equity	\$ 44,608	\$ 46,515

Portfolio Updates

Community Carbon Stream: On March 12, 2026, the Company announced that it had entered into an agreement with Community Carbon and UpEnergy Group (collectively, the “**UPE Parties**”), pursuant to which the UPE Parties agreed to acquire the Company’s interest in the Community Carbon Stream together with the related carbon credit inventory for total consideration of \$6.0 million (the “**Community Carbon Buyout Agreement**”).

In June 2026, the UPE Parties failed to make the required closing payment under the Community Carbon Buyout Agreement. As a result, the Community Carbon Buyout Agreement terminated in accordance with its terms. The Company retained the \$0.1 million non-refundable deposit received under the agreement, and the Community Carbon Stream remains in full force and effect.

Amazon Portfolio Royalty: During the three months ended June 30, 2026, the Company received the final repayment from Future Carbon International LLC under the repayment arrangements previously entered into with Future Carbon International LLC and Ecological Assessoria Ltda, the counterparties to the Amazon Portfolio Royalty. As a result, the repayment arrangements have been fully satisfied, and the Amazon Portfolio Royalty has terminated in accordance with its terms. In aggregate, the Company received \$1.06 million under the repayment arrangements.

Legal proceedings

From time to time, the Company may be involved in litigation arising out of the Company’s operations. Damages claimed under such litigation may be material or may be indeterminate, and the outcome of such litigation may materially impact the Company’s financial condition or results of operations. While the Company assesses the merits of each lawsuit and asserts its interests or defends itself accordingly, the Company may be required to incur significant expenses or devote significant resources to pursue or defend itself against such litigation. Except as disclosed herein or elsewhere in this news release, there are no legal proceedings or regulatory actions pending or known by the Company to which it is a party or in respect of

which any of the properties of the Company are subject that are anticipated to be material to the Company and its subsidiaries taken as a whole. In the summary provided below, the Company has provided the estimates with respect to each claim where such an estimate is available; however, the estimates provided are not indicative of the probability of the final outcome.

Lawsuit against former Officers, Directors and Corporate Defendants: In April 2025, the Company sued several former executives, directors, consultants and associated entities in the Ontario Superior Court of Justice. As outlined in the claim, Carbon Streaming is trying to hold the defendants to account for what it says are breaches of fiduciary duty, fraudulent misrepresentation, and unjust enrichment that have caused financial harm to the Company. Please refer to the Company's news release titled "*Carbon Streaming Announces Filing of Claim Against Former Executives and Consultants*" dated April 14, 2025 for further information.

During the third and fourth quarters of 2025, certain defendants in the claim delivered counterclaims against the Company and certain acting directors and officers, Mr. Katusa, Mr. Garret, Mr. de Groot, and Ms. Schroeder. During the first quarter of 2026, the Company delivered its replies to defences and defences to the counterclaim, as did the directors and officers. The Company has reviewed the counterclaims against it, and considers that the counterclaims are without merit, that it has defences against the allegations raised in the counterclaims and that the Company's exposure to any additional liability is remote. The Company intends to vigorously defend its position. The Company also considers that the counterclaims against the current directors and officers are without merit, that they have defences against the allegations raised in the counterclaims and that the current directors' and officers' exposure to liability is remote.

Sustainable Community Stream Dispute: In the second quarter of 2025, the Company initiated arbitration proceedings against Will Solutions Inc. ("**Will Solutions**") before the ADR Chambers International in connection with the termination of the purchase and sale agreement dated June 20, 2022, between Will Solutions and the Company (the "**Sustainable Community Stream**"). The termination, which was exercised by the Company in the third quarter of 2024, was a result of, among other things, the failure of Will Solutions 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 arbitration proceeding is ongoing. Will Solutions delivered a short answer and counterclaim in the third quarter of 2025 and the Company has responded. 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. As at June 30, 2026, \$4.0 million of the upfront deposit had been paid, which was advanced upon closing of the transaction in June 2022. The Company intends to strictly enforce its legal and contractual rights under the Sustainable Community Stream and seeks to recover its initial investment through these arbitration proceedings.

Strategy

Carbon Streaming is focused on maximizing value for its shareholders from its existing portfolio and cash resources while evaluating all strategic options. The Company's carbon credit streaming agreements retain a portion of the cash flows from carbon credit sales, with stream-specific retention varying.

Outlook

Carbon Streaming continues to reposition itself for success and for maximizing shareholder value amid ongoing challenges, remaining focused on cash flow optimization. By the first half of 2025, the Company had significantly reduced employee headcount and renegotiated and amended vendor agreements to lower operating expenses. 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, and the Company continues to operate with a materially reduced cost structure.

While the Company aims to generate cash flow through the sale of carbon credits, 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 the fourth quarter of 2025, the Company amended the Azuero Reforestation Stream, which eliminated all further funding obligations, while providing the Company with exposure to credits generated from the project and the option to participate in future funding during specified election periods.

The Company continues to pursue its ongoing litigation matters and will use all available legal remedies to protect its rights. The Company will continue to evaluate all strategic options, including acquisitions, divestments, corporate transactions, financings, other strategic partnership opportunities or continuing to operate as a public company.

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 Annual Information Form entitled "Risk Factors" a copy of which is available on SEDAR+ at www.sedarplus.ca.

About Carbon Streaming

Carbon Streaming's focus is to maximize value for its shareholders by optimizing both its portfolio of carbon credit projects that have a positive impact on the environment, local communities, and biodiversity and its cash resources.

ON BEHALF OF THE COMPANY:

Marin Katusa, Chief Executive Officer

Tel: 365.607.6095

info@carbonstreaming.com

www.carbonstreaming.com

Investor Relations

investors@carbonstreaming.com

Media

media@carbonstreaming.com

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 maximizing its existing portfolio and cash resources; statements regarding the evaluation strategic options; statements with respect to cash flow optimization and generation; statements regarding sales strategy; 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 objectives and its position in the voluntary carbon markets; statements with respect maximizing value for its shareholders; statements regarding the Company holding certain former executives, directors, consultants, and associated entities to account and the merits of the counterclaims from certain of the defendants and the Company’s defences; statements with respect to the Company’s intention to strictly enforce its legal and contractual rights under the Sustainable Community Stream and the merits of the counterclaim from Will Solutions Inc.

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; reputational risk; concentration risk; inaccurate estimates of project value, which may impact the ability of the Company to execute on its growth and diversification strategy; limited operating history for the Company’s current strategy dependence upon key management; impact of the corporate restructurings and the strategic initiatives advanced by the Company; impact of any strategic opportunities; 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 30, 2026 filed on SEDAR+ at 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.