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NEWS RELEASE

CARBON STREAMING ANNOUNCES LANDMARK AZUERO REFORESTATION CARBON REMOVAL PROJECT IN COLLABORATION WITH RUBICON CARBON, PONTERRA, AND MICROSOFT

The Azuero Reforestation Project Will Restore 10,000 Hectares of Degraded Land in Panama with Over 75 Native Tree Species

TORONTO, ON, May 21, 2024, Carbon Streaming Corporation (Cboe CA: **NETZ**) (OTCQB: **OFSTF**) (FSE: **M2Q**) (“**Carbon Streaming**” or the “**Company**”), in collaboration with Microsoft Corporation (“**Microsoft**”) and Rubicon Carbon Capital LLC (“**Rubicon**”), is pleased to announce that it has entered into a carbon credit streaming agreement (the “**Azuero Reforestation Stream**”) with Azuero Reforestación Colectiva, S.A. (“**ARC**”), a wholly owned subsidiary of leading project developer Ponterra Ltd. (“**Ponterra**”), for the ARC Restauero Azura project (the “**Azuero Reforestation Project**” or the “**Project**”) located in Panama.

Deal Highlights

- The Project is expected to generate 3.24 million carbon removal credits through 2052.
- Carbon Streaming, alongside Rubicon and Microsoft, will fund 100% of project costs over seven years.
- Carbon Streaming will receive 13.5% of the credits generated by the Project.
- Microsoft has entered into an offtake agreement to purchase 100% of Carbon Streaming’s credits from the Project generated through 2040.
- Carbon Streaming will act as sole marketer of ARC’s carbon credits not already committed to the co-investors under the Azuero Reforestation Stream.
- The expected IRR from the Project is consistent with Carbon Streaming’s target IRR for other investments, and the addition of a long-term carbon credit offtake has significantly de-risked cash flows.
- Verra has selected the Project to participate in its new Sustainable Development Verified Impact Standard (SD VSta) Nature Framework program.
- The Project has been designed to target six UN Sustainable Development Goals: 1 (No Poverty), 4 (Quality Education), 8 (Decent Work and Economic Growth), 13 (Climate Action), 15 (Life on Land), and 17 (Partnerships for the Goals).

- The Azuero Reforestation Stream and concurrent offtake agreement with Microsoft represents one of the largest nature-based carbon removal deals to date.

The Azuero Reforestation Project is expected to restore 10,000 hectares of degraded tropical forest on the Azuero Peninsula in Panama that has been converted to low-density cattle ranchland over the last century. Ponterra is actively restoring this degraded land with over 75 native tree species, using a vertically integrated reforestation strategy including nurseries, seedbanks, and deep community involvement. The Project will enable over 100 local landholders to participate in and earn an income from the reforestation activities through long-term annual payments and a share of carbon credit sales. Ponterra expects to plant over six million trees and create more than 300 permanent local jobs in the local community. The Project has been designed to target the following UN Sustainable Development Goals: 1 (No Poverty), 4 (Quality Education), 8 (Decent Work and Economic Growth), 13 (Climate Action), 15 (Life on Land), and 17 (Partnerships for the Goals). Given these strong social and environmental co-benefits, Verra has selected the Project to participate in their new SD VISta Nature Framework.

The Azuero Reforestation Project is expected to remove 3.24 million tonnes of carbon dioxide equivalent (“tCO₂e”) and generate an equivalent number of carbon credits under Verra’s newest Afforestation, Reforestation & Revegetation (ARR) methodology, VM0047. The Project is being funded by an investor group composed of Carbon Streaming, Microsoft, and Rubicon. The Project has the potential to expand 5-10x, and the investor group has a right of first offer to fund Project expansions. Initial carbon credit issuance from the Project is expected in 2027.

“Ponterra’s mission to restore biodiversity and uplift local communities by designing and operating high-integrity nature projects comes to life today. We are thrilled to be working with Carbon Streaming, one of the most respected and experienced investors in nature-based carbon credits in the market, to reach the scale needed to meaningfully impact the twin biodiversity and climate crises,” said Ponterra CEO Celia Francis.

In one of the largest nature-based carbon removal offtakes to date, Microsoft is expecting to receive approximately 1.6 million carbon credits from the Project, a portion of which will come from a long-term offtake agreement to purchase 100% of carbon credits that Carbon Streaming receives from the Project through 2040 –approximately 311,500 carbon credits. This is the second multi-year offtake that Carbon Streaming has signed with Microsoft in the last year.

Justin Cochrane, CEO of Carbon Streaming, expressed his enthusiasm about the deal, stating, “This stream with Ponterra represents a transformative step for Carbon Streaming, illustrating our commitment to high-quality carbon removal projects. By joining forces with esteemed co-investors and securing pre-contracted cash flows, we’re demonstrating a deal structure that promises significant environmental impact and predictable future cash flows.”

Brian Marrs, Senior Director of Energy and Carbon Removal at Microsoft said, “Microsoft is happy to support the Azuero Reforestation Project in collaboration with Ponterra, Rubicon Carbon, and Carbon Streaming. This project has been designed with a community-first approach building on the good work of long-time conservation leaders, Pro Eco Azuero, ensuring the project’s positive impacts not only directly benefit local communities but endure.”

Under the terms of the Azuero Reforestation Stream, Carbon Streaming, alongside Rubicon and Microsoft, will fund 100% of project costs over seven years. Carbon Streaming will make an initial upfront deposit of US\$0.315 million, with additional milestone payments of up to US\$6.750 million as the Project achieves planting and sapling survival milestones. Carbon Streaming will receive 13.5% of total credits, which is

expected to be approximately 438,000 carbon credits through 2052. Closing of the Azuero Reforestation Stream is subject to customary conditions with closing expected to occur by the end of Q2 2024. The Project is the first streaming agreement where a majority of the carbon credits Carbon Streaming will receive are pre-contracted through an offtake agreement at closing, an investment model that the Company expects to replicate in the future. Carbon Streaming has also entered into a marketing agreement with ARC, pursuant to which Carbon Streaming has been appointed as sole marketer of ARC's carbon credits for the life of the Project, other than those already committed to the co-investors in the Azuero Reforestation Stream. The expected IRR from the Project is consistent with Carbon Streaming's target IRR for other investments, and the addition of a long-term carbon credit offtake partner in Microsoft has significantly de-risked cash flows.

About Carbon Streaming

[Carbon Streaming](#) aims to accelerate a net-zero future. We pioneered the use of streaming transactions, a proven and flexible funding model, to scale high-integrity carbon credit projects to advance global climate action and additional United Nations Sustainable Development Goals. This approach aligns our strategic interests with those of project partners to create long-term relationships built on a shared commitment to sustainability and accountability and positions us as a trusted source for buyers seeking high-quality carbon credits.

The Company's focus is on projects that have a positive impact on the environment, local communities, and biodiversity, in addition to their carbon reduction or removal potential. The Company has carbon credit streams and royalties related to over 20 projects around the world, including high-integrity removal, reduction and avoidance projects from nature-based, agricultural, engineered and community-based methodologies.

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

About Ponterra

Ponterra is a leading developer and operator of the world's highest quality carbon and biodiversity projects. By focusing on restoring nature on degraded agricultural lands, Ponterra aims to reverse climate change, bring back biodiversity, and uplift rural communities. Their vertically integrated model enables end-to-end control of the entire restoration process and establishes a precedent for how to scale nature-based solutions to create ecological and human prosperity. Founded in 2023 in London by experienced nature-based solutions and climate tech operators, Ponterra now has a diverse team of professionals across the UK, US, and Latin America. For more information, visit www.ponterra.eco.

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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, statements regarding the timing and the amount of future carbon credit generation and tCO₂e removals from the Project; registration, timing and the amount of future carbon credit issuances from the Project; expected use of proceeds from stream agreements; the impacts of the Project on the surrounding ecosystem and other expected co-benefits; the timing and closing of the Azuero Reforestation Stream; the timing and the expected cash flow to Carbon Streaming from carbon credit sales (including the offtake) and marketing fees; timing to meet additional payment milestones; expectations regarding the number of landholders; expectations on the Company's investment model to be used in the future; and statements with respect to execution of the Company's portfolio and partnership strategy.

When used in this news release, words such as “estimates”, “expects”, “plans”, “anticipates”, “will”, “believes”, “intends”, “should”, “could”, “may” and other similar terminology are intended to identify such forward-looking statements. This forward-looking information is based on the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking information is subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. They should not be read as a guarantee of future performance or results, and will not necessarily be an accurate indication of whether or not such results will be achieved. Factors that could cause actual results or events to differ materially from current expectations include, among other things: 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 credit 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 corporate restructurings; reputational risk; 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 27, 2024 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.