



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

## NEWS RELEASE

# CARBON STREAMING ANNOUNCES FINANCIAL RESULTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024

TORONTO, ON, November 12, 2024, Carbon Streaming Corporation (Cboe CA: **NETZ**) (OTCQB: **OFSTF**) (FSE: **M2Q**) (“**Carbon Streaming**” or the “**Company**”) today reported its financial results for the three and nine months ended September 30, 2024. All figures are expressed in United States dollars, unless otherwise indicated. The Company will host a live webcast and audio call at 10:00 a.m. ET on Wednesday, November 13, 2024.

Carbon Streaming interim CEO Christian Milau stated: "In the third quarter of 2024, Carbon Streaming continued its focus on its restructuring and evaluating strategic alternatives and is working towards improving its operating cash flow for 2025 subject to carbon market conditions. As we look towards 2025, we remain committed to generating increased cash flows from carbon credit sales, identifying further cost saving opportunities, and optimizing our portfolio to improve economics. Although the Company has realized over a million dollars in stream and royalty proceeds in the year to date, the evolving nature of the voluntary carbon market continues to present risks and uncertainty for the industry. And with respect to the Sustainable Community, Rimba Raya and Magdalena Bay Streams, the Company is focused on protecting our investments and preserving our rights."

### Third Quarter Highlights

- Ended the quarter with \$41.9 million in cash and no corporate debt.
- Recognized a net loss on revaluation of carbon credit streaming and royalty agreements of \$11.7 million, primarily related to the decrease in the fair values of the Magdalena Bay Blue Carbon Stream and the Sustainable Community Stream to \$nil (see the “*Portfolio Updates*” section of this news release).
- Continued the previously-announced corporate restructuring plan, which resulted in a non-recurring restructuring charge of \$0.3 million.
- Generated \$0.1 million in settlements from carbon credit streaming and royalty agreements (settlements of \$13 thousand in Q3 2023).
- Operating loss of \$13.6 million (operating loss of \$0.1 million in Q3 2023).
- Recognized net loss of \$11.9 million (net income of \$0.7 million in Q3 2023).
- Adjusted net loss was \$1.1 million (adjusted net loss of \$1.7 million in Q3 2023) (see the “*Non-IFRS Accounting Standards Measures*” section of this news release).
- Paid \$1.1 million in upfront deposits for carbon credit streaming and royalty agreements (paid \$2.1 million in upfront deposits in Q3 2023).

## Financial Highlights Summary

	Three months ended September 30, 2024	Three months ended September 30, 2023	Nine months ended September 30, 2024	Nine months ended September 30, 2023
<i>(Dollar figures expressed in USD thousands)</i>				
<b>Carbon credit streaming and royalty agreements</b>				
Revaluation of carbon credit streaming and royalty agreements	\$ (11,700)	\$ 1,792	\$ (44,965)	\$ (8,945)
Settlements from carbon credit streaming and royalty agreements <sup>1</sup>	124	13	1,037	55
<b>Purchased carbon credits</b>				
Revenue from sale of purchased carbon credits	\$ 53	\$ 260	\$ 595	\$ 325
Number of purchased carbon credits sold (carbon credits) <sup>2</sup>	6,057	41,593	107,711	50,735
Average realized price per purchased carbon credit sold (\$/carbon credit)	8.75	6.25	5.52	6.41
Cost per purchased carbon credit sold (\$/carbon credit)	5.19	5.00	4.29	5.00
<b>Other financial highlights</b>				
Other operating expenses	1,953	2,609	8,580	9,344
Operating loss	(13,631)	(765)	(53,412)	(18,218)
Net (loss) income	(11,894)	718	(50,437)	(9,409)
Basic (loss) earnings per share (\$/share)	(0.23)	0.02	(1.06)	(0.20)
Diluted (loss) earnings per share (\$/share)	(0.23)	0.02	(1.06)	(0.20)
Adjusted net loss <sup>3</sup>	(1,084)	(1,699)	(4,330)	(5,361)
Adjusted net loss per share (Basic and Diluted) (\$/share) <sup>3</sup>	(0.02)	(0.04)	(0.09)	(0.11)
<b>Statement of financial position</b>				
Cash <sup>4</sup>	41,888	54,401	41,888	54,401
Carbon credit streaming and royalty agreements <sup>4</sup>	20,605	82,024	20,605	82,024
Total assets <sup>4</sup>	67,171	142,043	67,171	142,043
Non-current liabilities <sup>4</sup>	304	1,262	304	1,262

1. Relates to the net cash proceeds generated from the Company's carbon credit streaming and royalty agreements.
2. The Company holds an inventory of carbon credits, which were acquired separate and apart from carbon credits delivered under the Company's carbon credit streaming agreements.
3. "Adjusted net loss", including per share amounts, is a non-IFRS<sup>®</sup> 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.
4. Cash, carbon credit streaming and royalty agreements, total assets and non-current liabilities are presented as at the relevant tabular reporting date.

## Portfolio Updates

### ***Significant Updates – Q3 2024***

***Rimba Raya Stream:*** On April 26, 2024, the Company announced that it was informed that PT Rimba Raya Conservation (“**PT Rimba**”), the local concession holder for the Rimba Raya project, had its Forest Utilization Business License (the “**Concession License**”) revoked by the Indonesian Government’s Ministry of Environment and Forestry (the “**MOEF**”). PT Rimba challenged the MOEF’s revocation of the Concession License, and in July 2024, the State Administrative Court of Jakarta (the “**Court of Jakarta**”) reached a decision on PT Rimba’s claim and declared that the revocation by the MOEF of the Concession License is void. The MOEF appealed the decision of the Court of Jakarta and in September 2024, the State Administrative High Court of Jakarta (the “**High Court of Jakarta**”) upheld the Court of Jakarta’s decision declaring that the revocation by the MOEF of the Concession License is void. The MOEF submitted an appeal of the decision of the High Court of Jakarta and as such, the decision of the High Court of Jakarta upholding that the revocation by the MOEF of the Concession is void does not yet have permanent legal force. While the appeal process is underway, the interlocutory decision issued by the Court of Jakarta on May 16, 2024, requiring the MOEF to suspend the implementation of its decree in respect of the revocation of the Concession License, will remain in place.

In October 2024, InfiniteEARTH Limited and its Indonesian subsidiary PT InfiniteEARTH Nusantara, the project operators of the Rimba Raya project (collectively “**InfiniteEARTH**”) delivered a notice of intent to abandon the project (the “**RR Notice of Abandonment**”). Pursuant to the RR Notice of Abandonment, InfiniteEARTH claims that a Regulation entitled *Regulation of the Ministry of Environment and Forestry Number 7 Year of 2023* issued on June 14, 2023 by the Indonesian Government (“**Regulation No. 7 2023**”), prohibits the issuance and transfer of carbon rights from PT Rimba to InfiniteEARTH. InfiniteEARTH claims that as a result of Regulation No. 7 2023, it has been unable to economically develop or continue to operate the Rimba Raya project and that this is a force majeure event under the Rimba Raya Stream. The Company has notified InfiniteEARTH that it rejects the assertion that Regulation No. 7 2023 is an event of force majeure and has commenced an arbitration seeking, among other things, an order that the RR Notice of Abandonment is invalid or void.

In October 2024, the Company commenced an arbitration administered by the International Centre of Dispute Resolution against InfiniteEARTH in accordance with the Rimba Raya Stream; and against the shareholders of InfiniteEARTH Limited in accordance with the Strategic Alliance Agreement (the “**SAA**”). In October 2024, the Company issued a Notice of Action in the Ontario Superior Court of Justice seeking declaratory relief against the principals of InfiniteEARTH Limited and their related entities, seeking to enforce its rights in relation to guarantees and non-competition agreements related to the Rimba Raya Stream and the SAA. The dispute between the Company and InfiniteEARTH arises out of acts and omissions that the Company alleges are improper and in breach of the Rimba Raya Stream, the SAA and related agreements. Delivering the Notice of Arbitration and issuing the Notice of Action in the Ontario Superior Court of Justice are important steps in preserving the Company’s legal and contractual rights.

***Sustainable Community Stream:*** In the third quarter of 2024, the Company exercised its contractual rights to terminate 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). As a result of the

Sustainable Community Stream being terminated, the fair value of the Sustainable Community Stream was determined to be \$nil as at September 30, 2024. The Company intends to strictly enforce its legal and contractual rights under the Sustainable Community Stream.

*Magdalena Bay Blue Carbon Stream:* In the third quarter of 2024, Fundación MarVivo Mexico, A.C. and MarVivo Corporation (collectively, “**MarVivo**”) delivered a notice of intent to abandon the project (the “**Notice of Abandonment**”). Pursuant to the Notice of Abandonment, MarVivo claims that the failure to transfer the concession rights from the Secretariat of Environment and Natural Resources, Mexico’s environment ministry, to the jurisdiction of Mexico’s National Commission for Protected Natural Areas, constitutes an event of force majeure and that it is no longer economical to develop or continue to operate the project. The Company’s position is that the attempt to abandon the project constitutes a breach of the terms of the Magdalena Bay Blue Carbon Stream. The Company has notified MarVivo that it rejects the assertion that the failure to transfer the concession rights constitutes an event of force majeure and that if MarVivo abandons the project or takes steps to wind-down, this will amount to a breach of the terms of the Magdalena Bay Blue Carbon Stream. As a result of the Notice of Abandonment and the assertions of MarVivo, the Company has determined the fair value of the Magdalena Bay Blue Carbon Stream to be \$nil as at September 30, 2024. The Company reserves all rights with respect to the agreements between the parties and intends to strictly enforce its legal and contractual rights under the Magdalena Bay Blue Carbon Stream.

### ***Key portfolio milestones – Q3 2024***

*Community Carbon Stream:* During the third quarter of 2024, Carbon Streaming made upfront deposit payments totaling \$0.8 million to Community Carbon and UpEnergy Group (collectively, “**Community Carbon**”), as a milestone was reached pertaining to the delivery of carbon credits from the Tanzania cookstove project, representing the first-ever carbon credits authorized for corresponding adjustments by the Government of Tanzania under Article 6 of the Paris Agreement. In the fourth quarter of 2024, the United Nations International Civil Aviation Organization granted full approval to Gold Standard, Verra, and Climate Action Reserve for the First Phase (2024-26) of the Carbon Offsetting and Reduction Scheme for International Aviation, making their carbon credits eligible for use by airlines.

*Sheep Creek Reforestation Stream:* During the third quarter of 2024, Carbon Streaming made upfront deposit payments totaling \$0.2 million to Mast Reforestation SPV I, LLC, as a milestone was reached at the Sheep Creek Reforestation project related to significant progress pertaining to planting and site preparation.

### **Strategy**

Carbon Streaming is focused on becoming a market leader in the carbon credit financing sector despite the ongoing challenges of the carbon markets. The Company continues to focus on identifying opportunities for high-quality removals and avoidance carbon credits, and partnering with established project developers to create strong relationships with carbon credit buyers, including the procurement of long-term offtake agreements, to enhance its position in the voluntary carbon market.

During 2024, the Company has undergone changes to its board of directors (the “**Board**”) and management, including the termination of certain consulting contracts, which reduced ongoing cash expenditure and streamlined decision-making. In addition, amendments were made to several carbon credit streaming agreements to improve stream economics and protect against downside risk. The Company continues to focus on its previously announced evaluation of strategic alternatives with a focus on maximizing value for all shareholders. These alternatives could include acquisitions, divestments, corporate transactions, financings, other strategic partnership opportunities or continuing to operate as a public company. In addition, the Company is continuing its search for a permanent chief executive officer.

In executing its sales strategy, over the long term and on a company-wide basis, the Company continues to expect to retain on average 15% to 25% of cash flows (with stream-specific retention varying) generated from the sale of the carbon credits acquired from its carbon credit streaming agreements. Through an ongoing delivery payment under the terms of a stream agreement, a project partner is typically entitled to receive the balance of the net proceeds from the sale of carbon credits (i.e. on average 75% to 85%). Cash flows are subject to fluctuations based on the realized price from carbon credit sales and the specific terms of the stream agreements, and the Company continually reviews its portfolio to look for opportunities to maximize economics and reduce exposure to market volatility.

## **Outlook**

Carbon Streaming continues to reposition itself for long-term success. In May 2024, as part of its ongoing corporate restructuring first initiated in 2023, the Company announced changes to its senior management and Board after constructive discussions with certain shareholders. The Company continues to evaluate strategic alternatives for the business and remains focused on cash flow optimization through the reduction of operating expenses and a reassessment of its existing streams and royalties. Building on the previous measures implemented by the Company to reduce ongoing operating expenses, further steps have been taken in recent months, including the elimination of cash-settled director’s fees to the Board and the termination of certain consulting contracts. As the Company’s broader strategy continues to evolve, these recent steps are expected to result in reductions to annualized ongoing operating expenses of over \$1 million when compared to the prior year.

While the Company aims to increase cash flow generation through the sale of carbon credits from several streaming agreements 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. As such, the Company has amended several of its carbon credit streaming agreements with the intention of improving stream economics and protecting against downside risk. In 2024, the Company amended the terms of the Sheep Creek Reforestation Stream and the Community Carbon Stream. In addition, during 2024, the Company has recognized a decrease in the fair values of the Rimba Raya Stream, the Magdalena Bay Blue Carbon Stream and the Sustainable Community Stream to \$nil as a result of the failure of the respective projects to meet their obligations under the stream agreements and ongoing legal disputes. Carbon Streaming continues to evaluate all legal avenues to protect its investments and will strictly enforce its legal and contractual rights.

Carbon Streaming also aims to continue growing and diversifying its portfolio with leading project developers and to be a partner of choice for buyers seeking to support carbon projects that generate high-quality carbon credits. The voluntary carbon market has the potential to mobilize finance to address the gaps in funding for climate projects and act as a complementary tool to other climate action activities but remains an evolving market with risks and uncertainties. While Carbon Streaming continues to evaluate various alternatives for the Company, the aim is to position the Company as an industry leader in the voluntary market.

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](http://www.sedarplus.ca).

### **Q3 2024 Results Webcast and Conference Call Details**

The Company's management team will host a webcast and conference call on Wednesday, November 13, 2024, at 10:00 a.m. ET to provide a brief company update.

#### **Joining Instructions**

Webcast: [Sign-up](#)

Call: Dial In (Audio only):

Local Toronto: +1 289-514-5100

Toll Free North America: +1 800-717-1738

A replay of the conference call will be available on the [Company website](#) until 11:59 p.m. ET on December 13, 2024.

#### **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 carbon credit projects. The Company'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. 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 has carbon credit streams and royalties related to over 15 projects around the world, including removal, reduction and avoidance projects from nature-based, agricultural, engineered and community-based methodologies.

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

**ON BEHALF OF THE COMPANY:**

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[info@carbonstreaming.com](mailto:info@carbonstreaming.com)[www.carbonstreaming.com](http://www.carbonstreaming.com)**Investor Relations**[investors@carbonstreaming.com](mailto:investors@carbonstreaming.com)**Media**[media@carbonstreaming.com](mailto:media@carbonstreaming.com)**Performance Measures****Average realized price per purchased carbon credit sold**

Management uses the “average realized price per purchased carbon credit sold” performance measure to better understand the price realized in each reporting period for carbon credit sales. Average realized price per purchased carbon credit sold is calculated by dividing the Company’s revenue from sale of purchased carbon credits by the quantity of purchased carbon credits sold. Average realized price per purchased carbon credit sold does not incorporate proceeds from the sale of carbon credits delivered under the Company’s carbon credit streaming agreements, and only incorporates revenue from the sale of purchased carbon credits.

	Three months ended September 30, 2024	Three months ended September 30, 2023	Nine months ended September 30, 2024	Nine months ended September 30, 2023
<i>(Dollar figures expressed in USD thousands)</i>				
Revenue from sale of purchased carbon credits	\$ 53	\$ 260	\$ 595	\$ 325
Number of purchased carbon credits sold (carbon credits)	6,057	41,593	107,711	50,735
Average realized price per purchased carbon credit sold (\$/carbon credit)	\$ 8.75	\$ 6.25	\$ 5.52	\$ 6.41

**Cost per purchased carbon credit sold**

Management uses the “cost per purchased carbon credit sold” performance measure to assess the Company’s profitability in relation to the average realized price per purchased carbon credit sold and believes that certain investors can use this information to evaluate the Company’s performance in comparison to other carbon credit streaming companies. Cost per purchased carbon credit sold is calculated by dividing the Company’s cost of purchased carbon credits sold, excluding inventory write-downs, by the quantity of purchased carbon credits sold. Cost per purchased carbon credit sold does not incorporate ongoing delivery payments from the sale of carbon credits delivered under the Company’s carbon credit streaming agreements, and only incorporates the cost of purchased carbon credits sold.

<i>(Dollar figures expressed in USD thousands)</i>	<b>Three months ended September 30, 2024</b>	<b>Three months ended September 30, 2023</b>	<b>Nine months ended September 30, 2024</b>	<b>Nine months ended September 30, 2023</b>
Cost of purchased carbon credits sold	\$ 31	\$ 208	\$ 462	\$ 254
Number of purchased carbon credits sold (carbon credits)	<b>6,057</b>	41,593	<b>107,711</b>	50,735
Cost per purchased carbon credit sold (\$/carbon credit)	\$ 5.19	\$ 5.00	\$ 4.29	\$ 5.00

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

### **Adjusted Net Loss and Adjusted Loss Per Share**

The term “adjusted net 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 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 loss on early deposit interest receivable, the revaluation of derivative liabilities, the revaluation of the convertible note, the impairment loss on investment in associate, the gain on dissolution of associate, and the 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 loss is used by the Company to monitor its results from operations for the period.



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

	Three months ended September 30, 2024	Three months ended September 30, 2023	Nine months ended September 30, 2024	Nine months ended September 30, 2023
<i>(Dollar figures expressed in USD thousands)</i>				
<b>Net (loss) income and comprehensive (loss) income</b>	\$ (11,894)	\$ 718	\$ (50,437)	\$ (9,409)
Adjustment for non-continuing or non-cash settled items:				
Revaluation of carbon credit streaming and royalty agreements	11,700	(1,792)	44,965	8,945
Revaluation of warrant liabilities	(532)	(1,230)	(599)	(6,451)
Impairment loss on early deposit interest receivable	-	-	307	-
Revaluation of derivative liabilities	(680)	-	(680)	(686)
Revaluation of convertible note	-	(558)	-	(558)
Impairment loss on investment in associate	-	1,044	-	1,044
Gain on dissolution of associate	-	-	(104)	-
Corporate restructuring	322	119	2,218	1,754
Adjusted net loss	<b>(1,084)</b>	(1,699)	<b>(4,330)</b>	(5,361)
(Loss) earnings per share (Basic) (\$/share)	<b>(0.23)</b>	0.02	<b>(1.06)</b>	(0.20)
(Loss) earnings per share (Diluted) (\$/share)	<b>(0.23)</b>	0.02	<b>(1.06)</b>	(0.220)
<b>Adjusted net loss per share (Basic and Diluted) (\$/share)</b>	<b>(0.02)</b>	(0.04)	<b>(0.09)</b>	(0.11)

### 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 with respect to the status of the Concession License held by PT Rimba and the Rimba Raya Stream including the ongoing legal process to protect the Company’s investment in the Rimba Raya project and to enforce its legal and contractual rights; statements with respect to the duration of the suspension of the decree revoking the

Concession License; and statements regarding the Company's intention to strictly enforce its legal and contractual rights under the Sustainable Community Stream and the Magdalena Bay Blue Carbon Stream.

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: the outcome of the final ruling with respect to the revocation of the Concession License held by PT Rimba and the outcome of the arbitration and other legal proceedings initiated by the Company against InfiniteEARTH and in respect of any other litigation; 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 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; 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](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.