



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

NEWS RELEASE

CARBON STREAMING ANNOUNCES FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2024

TORONTO, ON, March 31, 2025, Carbon Streaming Corporation (Cboe CA: **NETZ**) (OTCQB: **OFSTF**) (FSE: **M2Q**) (“**Carbon Streaming**” or the “**Company**”) today reported its financial results for the fiscal year ended December 31, 2024. All figures are expressed in United States dollars, unless otherwise indicated. The Company will host a live audio call at 11:00 a.m. ET on Tuesday, April 1, 2025. In addition, the Company is also pleased to announce the appointment of Mr. Sam Wong to the board of directors of the Company (the “**Board**”) effective April 1, 2025.

Carbon Streaming Chief Executive Officer Marin Katusa stated: “In the fourth quarter of 2024, Carbon Streaming focused on its restructuring efforts and evaluating strategic alternatives while taking significant steps to reduce costs and improve financial sustainability. We successfully reduced the number of individuals receiving full-time salaries from 24 at the start of 2024 to 4 by January 2025, resulting in significant savings to ongoing operating expenses. With cost reductions complete, our priority in 2025 is to maximize value from our existing portfolio while continuing to explore all strategic options to enhance shareholder value. More specifically, we will evaluate all potential acquisitions, divestments, corporate transactions, and strategic partnerships. While the voluntary carbon market continues to experience difficult market conditions and many economic uncertainties exist, we are committed to adapting to market conditions and ensuring the best path forward for our shareholders. With respect to the Rimba Raya, Magdalena Bay and Sustainable Community Streams, the Company remains focused on protecting our investments and preserving our rights as we will with all our investments.”

Annual Highlights

- Ended the year with \$37.4 million in cash and no corporate debt.
- 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 8 by year-end, with a further decrease to 4 full time employees by January 2025, resulting in significant savings in ongoing operating expenses.
- Recognized a net loss on revaluation of carbon credit streaming and royalty agreements of \$58.2 million (net loss on revaluation of \$32.9 million in 2023). The net loss on revaluation for each period was driven by reductions in the carbon credit production and sales profiles and carbon credit pricing assumptions, and an increase to the risk-adjusted discount rate.
- Continued the previously-announced corporate restructuring plan, which resulted in a non-recurring restructuring charge of \$2.6 million.
- Generated \$1.6 million in settlements from carbon credit streaming and royalty agreements (settlements of \$55 thousand in 2023).

- Operating loss of \$68.3 million (operating loss of \$45.0 million in 2023).
- Recognized net loss of \$67.4 million (net loss of \$35.5 million in 2023).
- Adjusted net loss was \$5.2 million (adjusted net loss of \$7.6 million in 2023) (see the “Non-IFRS Accounting Standards Measures” section of this news release).
- Paid \$8.1 million in upfront deposits for carbon credit streaming and royalty agreements (paid \$7.6 million in upfront deposits in 2023).

Fourth Quarter Highlights

- Recognized a net loss on revaluation of carbon credit streaming and royalty agreements of \$13.2 million (net loss on revaluation of \$24.0 million in Q4 2023). The net loss on revaluation for each period was driven by reductions in the carbon credit production and sales profiles and carbon credit pricing assumptions, and an increase to the risk-adjusted discount rate.
- Generated \$0.5 million in settlements from carbon credit streaming and royalty agreements (settlements of \$nil in Q4 2023).
- Operating loss of \$14.9 million (operating loss of \$26.8 million in Q4 2023).
- Recognized net loss of \$16.9 million (net loss of \$26.1 million in Q4 2023).
- Adjusted net loss was \$0.9 million (adjusted net loss of \$2.2 million in Q4 2023) (see the “Non-IFRS Accounting Standards Measures” section of this news release).
- Paid \$2.2 million in upfront deposits for carbon credit streaming and royalty agreements (paid \$2.1 million in upfront deposits in Q4 2023).

Financial Highlights Summary

| | Three months ended December 31, 2024 | Three months ended December 31, 2023 | Year ended December 31, 2024 | Year ended December 31, 2023 |
|--|---|---|------------------------------------|------------------------------------|
| Carbon credit streaming and royalty agreements | | | | |
| Revaluation of carbon credit streaming and royalty agreements | \$ (13,190) | \$ (23,952) | \$ (58,155) | \$ (32,897) |
| Settlements from carbon credit streaming and royalty agreements ¹ | 513 | - | 1,550 | 55 |
| Other financial highlights | | | | |
| Other operating expenses | 1,760 | 2,691 | 10,340 | 12,035 |
| Operating loss | (14,923) | (26,784) | (68,335) | (45,002) |
| Net loss | (16,932) | (26,092) | (67,369) | (35,501) |
| Loss per share (Basis and Diluted) (\$/share) | (0.32) | (0.55) | (1.34) | (0.75) |
| Adjusted net loss ² | (884) | (2,225) | (5,214) | (7,586) |
| Adjusted net loss per share (Basic and Diluted) (\$/share) ² | (0.02) | (0.05) | (0.10) | (0.16) |
| Statement of financial position | | | | |
| Cash ³ | 37,350 | 51,416 | 37,350 | 51,416 |
| Carbon credit streaming and royalty agreements ³ | 9,081 | 60,122 | 9,081 | 60,122 |

| | | | | |
|--------------------------------------|---------------|---------|---------------|---------|
| Total assets ³ | 48,683 | 117,111 | 48,683 | 117,111 |
| Non-current liabilities ³ | 112 | 1,083 | 112 | 1,083 |

1. *Relates to the net cash proceeds generated from the Company's carbon credit streaming and royalty agreements.*
2. *"Adjusted net 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: 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 License 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"). The arbitration has since been bifurcated into two arbitration proceedings, dealing with (i) the Rimba Raya Stream; and (ii) the SAA.

In October 2024, the Company also 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. Some of the defendants have counterclaimed. 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. Management of the Company believes that delivering the Notice of Arbitration and issuing the Notice of Action in the Ontario Superior Court of Justice were important steps in preserving the Company's legal and contractual rights.

As a result of the uncertainty of the duration and outcome of the appeal process in respect of the Concession License and the ongoing legal dispute between the Company, InfiniteEARTH and the founders of InfiniteEARTH, the Company has reclassified the status of the Rimba Raya Stream to "Expired". As at December 31, 2024, the Company has determined the fair value of the Rimba Raya Stream to be \$nil.

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 "**MarVivo Notice of Abandonment**"). Pursuant to the MarVivo Notice of Abandonment, MarVivo claims that the failure to transfer the concession rights from the Secretariat of Environment and Natural Resources ("**SEMARNAT**"), Mexico's environment ministry, to the jurisdiction of Mexico's National Commission for Protected Natural Areas ("**CONANP**"), 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 MarVivo 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 December 31, 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.

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 the project operator, 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 December 31, 2024. The Company intends to strictly enforce its legal and contractual rights under the Sustainable Community Stream.

Cerrado Biome Stream: At the time of project registration, the project planned to expand the project to 80,000 hectares by incorporating more land parcels, and to generate approximately 13 million carbon credits over a 30-year project life. Enrollment of additional land parcels has been slower than anticipated, primarily due to declining demand and lower pricing for REDD+ carbon credits. As a result, the expected revenue from carbon credit sales has decreased, reducing the financial incentive for landholders to transition from agricultural production to REDD+ project enrollment. Currently, the project consists of two land parcels covering approximately 11,000 hectares, expected to generate 1.2 million carbon credits over 30 years; however, the actual number of carbon credits issued will depend on the project's ability to attract additional landholders. Revenue shortfalls have been driven by delays in the Verra verification process and price volatility for credits issued by REDD+ projects.

Waverly Biochar Stream and Royalty: Following the accelerated payment of the final milestone payments in the second quarter of 2024, the project reached mechanical completion and first biochar production in the third quarter of 2024. However, additional technical challenges prevented continuous operation of the facility and have continued to delay full production capacity. The project is currently focused on securing additional funding to support commissioning, the initial facility audit, and the first output audit with Puro.earth. Verification was anticipated in the third quarter of 2025, with first issuance of carbon credits to follow immediately thereafter, but is now expected to be delayed.

In 2023, the Company announced an agreement to provide Microsoft Corporation with carbon credits from the Waverly Biochar Stream of up to 10,000 carbon credits per year. Under this agreement, the Company is committed to delivering a minimum quantity of credits on specified future dates. If the Company is unable to fulfill this commitment, Microsoft Corporation may request that credits be sourced from an alternative project of their choosing.

Community Carbon Stream: In 2024, the projects under the Community Carbon Stream issued over 1,600,000 carbon credits from the Mozambique cookstove project, the Uganda cookstove project, the Tanzania cookstove project, and the Uganda household safe water project. Additionally, the Community Carbon Stream generated \$1.1 million in cash settlements for the year ended December 31, 2024.

On May 8, 2024, the Company amended the terms of the Community Carbon Stream resulting in, among other things, revising the Company's economic interest to provide for a tiered streaming structure which is adjusted as certain return on invested capital thresholds are achieved, and adjusting the portfolio composition and milestone payments to focus on the five strongest projects, three cookstove projects in Mozambique, Tanzania and Uganda and two water purification projects in Malawi and Uganda.

Following the May 2024 amendment, the Company anticipates that the project's actual emission reductions will be materially lower than previously expected due to methodological changes and declining prices, which have reduced forecasted creditable unit deployments. Concerns over emissions reduction overestimation, additionality, and verification challenges have raised questions about cookstove credit quality, prompting methodological revisions as the market adapts to evolving buyer expectations. While these changes aim to enhance credibility, they have also reduced demand and driven down prices.

Nalgonda Rice Farming Stream: In December 2024, the Company delivered a notice to Core CarbonX Pte. Ltd. and its services provider, Core CarbonX Solutions Private Limited that an event of default occurred and is continuing due to the failure of the project to reach development completion prior to June 30, 2024. While no further action has been taken at this time, the Company reserves all rights under its agreements.

The project was registered with Verra on February 10, 2025, using the UNFCCC Clean Development Mechanism Methodology AMS-III.AU: Methane emission reduction by adjusted water management practice in rice cultivation in the VCS program (“**AMS-III.AU**”). Registration and first validation of the project was delayed when Verra temporarily inactivated AMS-III.AU as part of a broader review of validation and verification quality and began developing a revised rice-specific methodology to replace AMS-III.AU. During this review, Verra determined that certain projects identified as having quality issues with validations and/or verifications would remain on hold, but Core CarbonX’s projects, including the Nalgonda Rice Farming project, were approved for registration under AMS-III.AU.

Verra released the new VCS Methodology VM0051 (Improved Management in Rice Production Systems v1.0) on February 27, 2025, which the project plans to transition to for the second monitoring period.

However, the project has already applied the guidelines required under the VCS Methodology VM0051. At this time, it is not known how the transition to the new methodology will impact the project, if at all.

As of December 31, 2024, approximately 32,000 landholders were enrolled in the project, covering 36,548 hectares of farmland. Enrollment remains ongoing, with a target of expanding to approximately 62,000 hectares. However, progress has been slower than expected due to registration delays, which have also postponed farmer compensation and, in turn, affected enrollment. The project was registered with Verra on February 10, 2025.

Enfield Biochar Stream: In April 2024, Standard Biocarbon Corporation (“**Standard Biocarbon**”) achieved its first biochar production. However, technical challenges have delayed the commissioning process. Standard Biocarbon is working with PYREG GmbH, the engineer and builder of the PYREG Machines, to resolve these issues as it scales toward full operating capacity. The project continues to collect operational data required for a facility audit and official registration with the Puro.earth carbon credit standard. Currently, the project is on care and maintenance while seeking additional funding to support commissioning, the initial facility audit, and the first output audit.

Azuero Reforestation Stream: On May 21, 2024, the Company, Microsoft Corporation and Rubicon Carbon Capital LLC (“**Rubicon**”) entered into a carbon credit streaming agreement, as amended on November 23, 2024 (the “**Azuero Reforestation Stream**”) with Azuero Reforestation Colectiva, S.A. (“**ARC**”), a wholly owned subsidiary of Ponterra Ltd. (“**Ponterra**”), for a reforestation project located on Azuero Province, Los Santos Province, Republic of Panama. Under the terms of the Azuero Reforestation Stream, ARC will deliver 13.5% of the carbon credits created by the project to the Company. Additionally, Microsoft Corporation has entered into an offtake agreement to purchase 100% of the Company’s carbon credits delivered under the terms of the Azuero Reforestation Stream through to 2040. Carbon Streaming will also act as the sole marketer of ARC’s carbon credits not already committed to the co-investors under the Azuero Reforestation Stream.

Under the terms of the Azuero Reforestation Stream, Carbon Streaming, alongside Rubicon and Microsoft Corporation, will fund 100% of project costs over seven years. The Company agreed to make an upfront deposit of up to \$7.1 million with \$0.3 million paid on closing, and additional milestone payments made as the project achieves planting and sapling survival milestones, and will receive 13.5% of total credits, which is expected to be approximately 438,000 carbon credits through 2052.

Sheep Creek Reforestation Stream: In January 2025, the Company received a Notice of Adverse Impact from Mast Reforestation SPV I, LLC (“**Mast**”) and the parent company of Mast, Droneseed Co. d/b/a Mast Reforestation under the Sheep Creek Reforestation Stream pursuant to which, among other things, Mast advised the Company that the Sheep Creek project has experienced significantly higher than expected mortality rates and that the surviving seedlings had exhibited slower than expected growth rates. As a result, Mast indicated to the Company that it no longer expects to deliver the Company the agreed-upon 286,229 carbon removal credits, referred to as forecast mitigation units (“**FMUs**”) under the Climate Action Reserve’s Climate Forward program under the Sheep Creek Reforestation Stream, as Mast no longer considers the existing Sheep Creek project plan and budget to be viable. The Company has formally responded to the Notice of Adverse Impact and requested that Mast respond to the Company’s significant concerns regarding, among other things, the timing of the delivery of the Notice of Adverse Impact, and the characterization of the cause of the adverse impact. The Company is continuing to evaluate all legal avenues available under the Sheep Creek Reforestation Stream. As a result, the Company no longer anticipates generating cash flow from the Sheep Creek Reforestation Stream and has determined its fair value to be \$nil as of December 31, 2024.

Feather River Reforestation Stream: In 2024, carbon credit market demand has generally shifted towards lower risk carbon credits. FMUs, which are designed to facilitate forward financing, inherently carry higher risk, leading to supply that has exceeded demand. FMU issuance is expected in 2025. However, given the uncertainties surrounding FMU sales, the Company has determined the fair value of the Feather River Reforestation Stream to be \$nil as of December 31, 2024.

Baccala Ranch Reforestation Stream: In March 2025, Mast delivered the Company a notice of termination of the Baccala Ranch Reforestation Stream and the Baccala Ranch project, thereby confirming it will forego any plantings. The Company had not advanced any funds for the Baccala project and the closing of the Baccala Ranch Reforestation Stream remained subject to customary closing conditions.

Amazon Portfolio Royalty: Following a corporate reorganization, Future Carbon assigned its interests in the Yellow Ipe, ABC Norte and Gairova projects (collectively the “**Ecologica Portfolio**”) to Ecologica Assessoria Ltda. and its affiliates (collectively “**Ecologica**”), and retained the Rio Madeira Project, (the “**Future Carbon Portfolio**”). To reflect this restructuring, the Original Amazon Royalty was replaced on April 17, 2024, by two new royalty agreements: one between the Company and Future Carbon for the Future Carbon Portfolio (the “**FC Amazon Royalty**”), and another between the Company and Ecologica on the Ecologica Portfolio (the “**Ecologica Amazon Royalty**”). Each agreement carried a purchase price of \$1.5 million, maintaining the original \$3.0 million investment. No additional funds were advanced by the Company as part of Future Carbon’s reorganization.

Bonobo Peace Forest Royalty: The royalty agreement was originally intended to convert into a stream agreement upon successful validation and verification of the project. However, due to political instability in the DRC, weakened market sentiment for REDD+ projects, and a significant decline in demand for REDD+ carbon credits, Carbon Streaming decided to halt further investment. The Company currently has no plans to proceed with a stream agreement.

The project has been seeking additional investment to support a renewed technical effort for registration under the new Verra VM0048 methodology. Given the material uncertainty surrounding fundraising for REDD+ project development, the early-stage nature of the project’s technical development, and persistent weakness in demand for REDD+ carbon credits, the Company has determined the fair value of the Bonobo Peace Forest Royalty to be \$nil as at December 31, 2024.

Strategy

Carbon Streaming is currently focused on maximizing value from the existing portfolio of investments and pursuing all options to achieve that goal. During 2024, the Company has undergone changes to the Board and management, including the termination of certain consulting contracts, which reduced ongoing cash expenditure and streamlined decision-making. 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.

The Company’s carbon credit streaming agreements are structured to retain a portion of the cash flows from carbon credit sales, with stream-specific retention varying. Project partners typically receive the balance through ongoing delivery payments under the terms of each agreement. Cash flows are subject to fluctuations based on realized carbon credit prices and agreement terms. As the Company continues to evaluate its strategic direction, it remains focused on optimizing portfolio economics and managing exposure to market volatility.

Outlook

Carbon Streaming continues to reposition itself for success and for maximizing shareholder value amid ongoing challenges. 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 significantly reducing employee headcount, renegotiating and amending vendor agreements to lower costs, eliminating cash-settled director's fees to the Board and terminating certain consulting contracts. As the Company's broader strategy continues to evolve, these recent steps are expected to result in significant reductions to annualized ongoing operating expenses when compared to 2024.

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. In 2024, the Company has recognized a decrease in the fair values of the Rimba Raya Stream, the Magdalena Bay Blue Carbon Stream, the Sustainable Community Stream, and the Sheep Creek Reforestation 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. The Company is actively pursuing 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.

Given the evolving nature of carbon markets and ongoing legal considerations, Carbon Streaming is focussed on maximizing value from the existing portfolio of investments and pursuing all options to achieve that goal.

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.

2024 Results Conference Call Details

The Company's management team will host a conference call on Tuesday, April 1, 2025, at 11:00 a.m. ET to provide a brief company update. Participants may join by dialing +1 289-514-5100 or toll free from North America at +1 800-717-1738. A replay of the conference call will be available on the [Company website](#) until 11:59 p.m. ET on May 1, 2025.

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. 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.

ON BEHALF OF THE COMPANY:

Marin Katusa, Chief Executive Officer

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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 December 31, 2024 | Three months ended December 31, 2023 | Year ended December 31, 2024 | Year ended December 31, 2023 |
|---|---|---|------------------------------------|------------------------------------|
| Net loss and comprehensive loss | \$ (16,932) | \$ (26,092) | \$ (67,369) | \$ (35,501) |
| Adjustment for non-continuing or non-cash settled items: | | | | |
| Revaluation of carbon credit streaming and royalty agreements | 13,190 | 23,952 | 58,155 | 32,897 |
| Revaluation of warrant liabilities | (43) | (79) | (642) | (6,530) |
| Impairment of early deposit interest receivable | - | - | 307 | - |
| Revaluation of derivative liabilities | - | - | (680) | (686) |
| Revaluation of Convertible Note | - | - | - | (558) |
| Revaluation of preferred shares | 2,558 | - | 2,558 | - |
| Impairment of investment in associate | - | - | - | 1,044 |
| Gain on dissolution of associate | - | - | (104) | - |
| Corporate restructuring | 343 | (6) | 2,561 | 1,748 |
| Adjusted net loss | (884) | (2,225) | (5,214) | (7,586) |
| Loss per share (Basic and Diluted) (\$/share) | (0.32) | (0.55) | (1.34) | (0.75) |
| Adjusted net loss per share (Basic and Diluted) (\$/share) | (0.02) | (0.05) | (0.10) | (0.16) |

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 ongoing legal process to protect the Company’s investment in the Rimba Raya project and to enforce its legal and contractual rights; statements ; 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 and the Sheep Creek Reforestation 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: ; 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.

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.