Carbon Streaming Announces First Biochar Carbon Stream With Restoration Bioproducts

written by Raj Shah | May 12, 2022
First U.S. Stream and First in Biochar Carbon Removals Technology

May 12, 2022 (Source) – Carbon Streaming Corporation (NEO: **NETZ**) (OTCQB: **OFSTF**) (FSE: **M2Q**) ("**Carbon Streaming**" or the "**Company**") is pleased to announce that it has entered into a carbon credit streaming agreement (the "**Stream Agreement**") with a subsidiary of Restoration Bioproducts LLC ("**Restoration Bioproducts**") to support construction of a biochar production facility in Virginia (the "**Project**").

Biochar, short for biological charcoal, is produced by heating organic feedstocks in a limited oxygen atmosphere, resulting in a very stable form of carbon that prevents the release of greenhouse gases into the atmosphere for centuries, making it valuable for sequestration purposes. CO2 Removal Certificates ("**CORCs**") are expected to be verified under independent standard Puro.earth, the leading standard for Biochar projects.

Investment Highlights:

- This is the Company's first carbon stream on a biochar carbon removals project, providing diversification across a new project type.
- This is the Company's first carbon stream located in the United States, furthering geographic diversification.
- Carbon Streaming will receive and sell 100% of the CORCs generated by the Project, with ongoing payments to

Restoration Bioproducts for each CORC sold under the Stream Agreement.

- The Project is expected to remove over 161,000 tonnes of CO2 equivalent emissions ("**tCO2e**") over the 25-year project life and generate an equivalent number of CORCs.
- CORCs from other Puro.earth projects are currently selling above US$125/CORC as of April 2022.
- With the signing of the Stream Agreement, Carbon Streaming is making an initial upfront cash investment of US$0.6 million, with additional milestone payments of US$0.75 million to be paid over the term of the Stream Agreement.

Impact Highlights:

- The Project is expected to reduce biomass waste and prevent the associated release of carbon dioxide and methane emissions into the atmosphere equivalent to an estimated 6,500 tCO2e per year.
- It is anticipated that the majority of biochar generated by the Project will be used in agricultural applications to deliver soil enhancement through increased water and nutrient retention and ammonia reduction.
- The production process generates clean energy that reduces reliance on traditional lower efficiency sources and offers cost savings that contribute to increased community employment.
- The Project is expected to be a significant employer in the local community.

"It's with great excitement that we announce our first carbon stream in a carbon removals project in America," said Justin Cochrane, Carbon Streaming Founder and CEO. "Biochar projects can sequester and store carbon for centuries and will play a vital role in the efforts to offset global emissions. We are delighted to be partnering with Restoration Bioproducts to scale

this carbon removals innovation and provide significant community and environmental benefits."

Jeff Waldon, Restoration Bioproducts Managing Partner, commented, "We are very pleased and excited to enter this new relationship with Carbon Streaming. We believe biochar and renewable energy are important strategies for addressing climate change, and carbon finance through Carbon Streaming will help enable company expansion into Virginia. Our model fits well with rural community development both in the US and internationally, and the international reach that Carbon Streaming provides will enable us to grow well beyond Virginia in the future."

Closing of the Stream Agreement is subject to customary conditions with closing anticipated to occur within a week.

About Carbon Streaming

Carbon Streaming is a unique ESG principled company offering investors exposure to carbon credits, a key instrument used by both governments and corporations to achieve their carbon neutral and net-zero climate goals. Our business model is focused on acquiring, managing and growing a high-quality and diversified portfolio of investments in projects and/or companies that generate or are actively involved, directly or indirectly, with voluntary and/or compliance carbon credits.

The Company invests capital through carbon credit streaming arrangements with project developers and owners to accelerate the creation of carbon offset projects by bringing capital to projects that might not otherwise be developed. Many of these projects will have significant social and economic co-benefits in addition to their carbon reduction or removal potential.

To receive corporate updates via e-mail as soon as they are published, please subscribe here.

About Restoration Bioproducts

Restoration Bioproducts LLC is a sustainability company that develops pyrolysis-based projects to refine biomass into higher value products. Those products include biochar, bio-oil, wood vinegar, heat and/or power. Carbon finance is a part of the equation. Each project is a stand-alone entity with its own unique feedstock and product mix. The scale of the projects fits well within small rural communities where jobs and economic development are needed. The products help address climate change, reduce the use of toxic substances in the environment, increase farm profitability, and improve water quality.

Restoration Bioproducts LLC is a partnership between FDC Enterprises, a biomass production and logistics firm based in Ohio, USA, and Langseth Engineering PLLC, an engineering firm focused on biomass energy applications. More information about Restoration Bioproducts can be found here.

Advisories

The references to third party websites and sources contained in this news release (including information with regards to Restoration Bioproducts) are provided for informational purposes and are not to be considered statements of the Company.

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, including, without limitation, statements and figures related to future CORC generation and tCO2e emissions reductions

from the Project; the ability for the Project to be independently verified by the Puro.earth standard; timing to meet additional payment milestones; quality of the CORCs generated by the Project; expected benefits of reducing biomass waste; use of biochar generated by the Project; timing of closing; and the generation of local community benefits and employment.

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: dependence on key management; limited operating history for the Company’s current strategy; concentration risk; inaccurate estimates of growth strategy, including the ability of the Company to source appropriate opportunities/investments; volatility in prices of carbon credits and demand for carbon credits; general economic, market and business conditions; failure or timing delays for projects to be validated and ultimately developed or greenhouse gases emissions reductions and removals to be verified and carbon credits issued;

uncertainties and ongoing market developments surrounding the regulatory framework applied to the verification, and cancellation of carbon credits and the Company's ability to be, and remain, in compliance; actions by governmental authorities, including changes in or to government regulation, taxation and carbon pricing initiatives; uncertainties surrounding the ongoing impact of the COVID-19 pandemic; foreign operations and political risks; risks arising from competition and future acquisition activities; due diligence risks, including failure of third parties' reviews, reports and projections to be accurate; global financial conditions, including fluctuations in interest rates, foreign exchange rates and stock market volatility; dependence on project developers, 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; change in social or political views towards climate change and subsequent changes in corporate or government policies or regulations; operating and capital costs; potential conflicts of interest; unforeseen title defects; the Company's ability to complete proposed acquisitions and the impact of such acquisitions on the Company's business; anticipated future sources of funds to meet working capital requirements; future capital expenditures and contractual commitments; expectations regarding the Company's growth and results of operations; the Company's dividend policy; 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; and the other risks disclosed under the heading "Risk Factors" and

elsewhere in the Company's Annual Information Form dated as of September 27, 2021 filed on SEDAR at www.sedar.com. These risks, as well as others, could cause actual results and events to vary significantly. Accordingly, readers should exercise caution in relying upon forward-looking statements and the Company undertakes no obligation to publicly revise them to reflect subsequent events or circumstances, except as required by law.

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