# Carbon Streaming Announces First Stream Investment in Canada With Will Solutions

written by Raj Shah | June 21, 2022

*Up to US$20 Million for Expansion of Existing Sustainable Community Project in Quebec and Implementation of New Sustainable Community Project in Ontario*

*Stream Represents a Further Diversification into Solid Waste Diversion, Conversion and Energy Efficiency Carbon Projects with Canadian Partner*

June 21, 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 ("**Carbon Stream**") with Will Solutions Inc. ("**Will Solutions**"), an established operator of carbon projects, to scale its Sustainable Community Projects (the "**Projects**") in Quebec and Ontario, Canada. These grouped Projects enroll and reward members (including small and medium enterprises ("**SMEs**"), small municipalities, non-profit organizations and individual proprietorships) for greenhouse gas ("**GHG**") emission reductions through waste diversion, conversion and energy efficiency initiatives, with plans to expand into transport.

**Investment Highlights:**

- The Projects are expected to generate over 100 million Verified Carbon Units ("**VCUs**") over the next 10 years, which will be independently verified and registered by Verra.

- Carbon Streaming will receive 50% of the VCUs generated by the Projects, up to a maximum of 44.1 million carbon credits.
- Will Solutions is expected to make its first delivery under the Carbon Stream of approximately 425,000 to 525,000 VCUs in the second half of calendar year 2023, ramping up to approximately 10 million VCUs in 2030.
- Carbon Streaming has made an initial upfront cash investment of US$4 million on closing, with additional payments of up to US$16 million to be made as the Projects achieve implementation and new member enrollment milestones.
- The Company will also make ongoing delivery payments to Will Solutions for each VCU that is sold under the Carbon Stream.
- With the Projects located in a desirable jurisdiction and a high concentration of emission reductions coming from methane avoidance projects, the Company expects VCUs generated to be sold at a significant premium to the Global Emissions Offset ("**GEO**") price.

**Impact Highlights:**

- The Projects focus on enrolling small emitters (under 25,000 $tCO_2e$ per year) that are implementing uncommon practices to reduce GHG emissions across waste, energy and in time, transport initiatives.
- Approximately 70% of emissions reductions anticipated from the Projects would be considered methane avoidance, delivering action towards the UN Global Methane Pledge.
- The Projects deliver on six UN Sustainable Development Goals, including Climate Action (13), Industry, Innovation and Infrastructure (9), Reduced Inequalities (10), Sustainable Cities and Communities (11), Responsible Consumption and Production (12), and Partnerships for the

Goals (17).

Carbon Streaming Founder and CEO Justin Cochrane stated: “We are delighted to announce our first Canadian carbon stream with Will Solutions. The Sustainable Community Projects are an excellent addition to our portfolio and highlight what Canadians can do to reduce emissions. The Will Solutions team is a pioneer in carbon, having developed the Verra certified methodology and grown the Sustainable Community right here in our back yard for over a decade. Success in climate action takes all of us, and Will Solutions’ grouped approach is proof that together, we can achieve more.”

“We are thrilled to partner with Carbon Streaming to accelerate growth, increase capacity, enroll more members and scale emissions reductions across Quebec and Ontario,” said Martin Clermont, President of Will Solutions. “Carbon Streaming’s investment gives us the additional funding to engage thousands more Canadian SMEs in climate action today. The stream also allows us to expand the verification methodology we have developed in collaboration with Verra to include transport emissions reductions to these initiatives, as well as optimize operations by increasing the capacity to process billions of transactions more efficiently in a secure and automated way.”

Will Solutions operates one of the largest grouped projects to be registered with Verra in Canada and has been successfully generating VCUs since 2010 using the VM0018 methodology it developed. Buyers of these VCUs have included large Canadian corporations, including major financial institutions, pension funds, governmental organizations, industrials and food companies. With Will Solutions’ strong track record of growing membership, proceeds from the Carbon Stream will be used to further scale the Projects by adding to Will Solutions’ sales and marketing team to support new membership enrollment, and

improving automation, monitoring and reporting.

The Projects are expected to reduce more than 100 million $tCO_2e$ emissions and generate an equivalent number of carbon credits. Over the term of the Carbon Stream, Carbon Streaming will receive 50% of the VCUs generated by the Projects up to a maximum of 44.1 million VCUs, and will have the option to renew the Carbon Stream for an additional 10 years. Will Solutions is expected to make its first delivery under the Carbon Stream of approximately 425,000 to 525,000 VCUs in the second half of calendar year 2023, scaling to approximately 10 million VCUs in 2030. Emissions reductions generated by the Projects will be independently verified and registered by Verra.

Under the terms of the Carbon Stream, the Company will make an upfront deposit of up to US$20 million. The first instalment of US$4 million was paid on closing, and the Company will make additional payments of up to US$16 million as the Projects achieve implementation and new member enrollment milestones. Carbon Streaming will also make ongoing delivery payments to Will Solutions for each VCU sold under the Carbon Stream. Ongoing delivery payments will be in a range consistent with the Company’s other stream investments.

Over the last three months, the pricing of VCUs sold by Will Solutions ranged from two to five times the GEO spot price. Carbon Streaming anticipates that VCUs generated by the Projects will continue to command premium pricing compared to the GEO price given the desirable location of the Projects as well as the large proportion of emission reductions from methane avoidance projects. Methane is the second most abundant anthropogenic GHG, with more than 80 times the global warming potential of $CO_2$ in the first 20 years of reaching the atmosphere. Reducing methane provides a quick benefit of limiting near-term temperature rise.[1]

## About Carbon Streaming

Carbon Streaming is an 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 have significant social and economic co-benefits in addition to their carbon reduction or removal potential.

The Company has executed carbon credit streaming agreements related to over 10 projects around the globe, including nature-based, biochar, methane avoidance, clean cookstove and water filtration projects.

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## About Will Solutions

Will Solutions Inc. is a private Canadian company, certified BCorp., whose head office is based in Beloeil, QC. The company is active in the Voluntary Carbon Markets (VCM) sector through its Sustainable Community. Will Solutions has a social philosophy based on sharing. It is based on two major axes: democratizing access to carbon credits by pooling local GHG reduction projects carried out by SMEs, municipalities and NPOs, and returning as much money as possible to these partners following the sale of carbon credits by Will Solutions. Will

Solutions has been carbon neutral since 2007 and is committed to returning 10% of its net profit to community projects and initiatives supporting sustainable development. To learn more about Will Solutions, visit their website at: https://solutionswill.com/en/.

## Advisories

The references to third party websites and sources contained in this news release (including information with regard to Will Solutions) 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 with respect to the expected number of VCUs generated by the Projects; the expected SDGs; the ability for the Projects to be independently verified and registered by Verra; the timing of delivery of VCUs under the Carbon Stream; timing to meet additional payment milestones; the anticipated premium pricing for the VCUs; the expected sources of emission reductions generated by the Projects; the use of proceeds from the Carbon Stream; the global impact of methane avoidance reduction activities 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: 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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[1] https://www.wri.org/insights/methane-gas-emissions-climate-change

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