

# **dynaCERT and Galaxy Power Applaud the Canadian Clean Technology Tax Incentives of Budget 2022**

written by Raj Shah | April 8, 2022

April 8, 2022 ([Source](#)) – dynaCERT Inc. (TSX: DYA) (OTCQX: DYFSF) (FRA: DMJ) (“*dynaCERT*” or the “Company”) and Galaxy Power Inc. (“Galaxy Power”) applaud the recently announced changes proposed in the Canadian Government’s Budget of April 7, 2022 (“Budget 2022”) regarding the creation of a 30% new Tax Credit for Investments in Clean Technology focused on net-zero technologies, battery storage and clean hydrogen, the new 30% Critical Mineral Exploration Tax Credit and certain other provisions relating to expanding clean technology tax incentives associated with flow through shares, including the expansion of Class 43.1 and 43.2 Canadian Renewal and Conservation Expense (“CRCE”) tax definitions, and certain new deductions (collectively the “Clean Tech Incentives”).

## **Successful Consultative Meetings:**

*dynaCERT* and Galaxy Power and their principals have been meeting for more than two (2) years with cabinet ministers, elected Members of Parliament, as well as senior officials within the government to advance, and assist with, the implementation of Clean Technology tax deferrals and tax credits. *dynaCERT* and Galaxy Power have had face-to-face meetings, conversations and correspondence with political parties on all sides to help bring Clean Technology tax incentives to fruition.

## **Foreseeable Future Economic Benefit:**

Budget 2022, and its corresponding proposals for Clean Tech Incentives, were endorsed by The Right Honourable Justin Trudeau, Canada's Prime Minister and leader of the Liberal Party of Canada, The Honourable Chrystia Freeland, Canada's Deputy Prime Minister and Minister of Finance, The Honourable Steven Guilbeault, Environment and Climate Change Minister, and The Honourable Omar Alghabra, Minister of Transport, among many other dignitaries.

Accordingly, Galaxy Power and *dynaCERT* welcomes the Clean Tech Incentives as lasting strong evidence of an obvious, clear, irrefutable and unequivocal "foreseeable future economic benefit" for all Canadians and to such Canadian participants such as *dynaCERT* and Galaxy Power.

### **Support for Continued Government Consultation:**

*dynaCERT* and Galaxy Power continue to support the government's openness in a consultative process on the design details of the tax matters in Clean Technology and see consultative measures as a rational and important step to continue to expand Clean Technology Flow Through Shares.

### **Clean Technology Incentives Reduce GHG's:**

The new Clean Tech Incentives can enhance the financial potential of fast-growing Clean Technology companies that foster Clean Technology in Canada to reduce global Greenhouse Gas Emissions ("GHG's").

### **Enhancing Growth of Canadian Companies:**

Galaxy Power and *dynaCERT* believe that the Clean Tech Incentives in Budget 2022, along with the Budget 2021 proposed expanded Clean Technology Flow Through Share policy, when successfully implemented, can greatly enhance the much-needed financing

capabilities of Clean Technology companies in Canada while at the same time contributing to the Canadian Government's objectives of reducing Canadian GHG's and enhancing rapid Canadian economic growth from coast to coast.

The Clean Tech Incentives in Budget 2022 are seen as being in accordance with the objectives of the Paris Agreement of the United Nations, which is a legally binding international treaty on climate change.

### **Importance of Tax Incentives:**

As opposed to government grants, significant tax credits and Clean Tech Incentives as the ones contained in Budget 2022 bring to the private sector the impetus to make business decisions based on reducing GHG's and places the incentive to invest in Clean Technology on the private sector while using private sector capital as opposed to direct investing by governments.

The new Clean Tech Incentives clearly demonstrate the Federal Government's recognition of the need to involve private sector capital to combat GHG's.

This involvement of private sector capital is seen as consistent with, and an important precursor to, a continued expansion of Clean Technology Flow Through Share policy which could bring vast amounts of additional capital from the Capital Markets in Canada.

### **Creation of Jobs Throughout Canada:**

Galaxy Power and *dynaCERT* believe that Clean Tech Incentives can create numerous jobs across the nation, for individual workers, scientists, engineers, researchers, entrepreneurs as well as start-ups and large multinationals, and many other contributors, of all employment ages, in urban and remote areas of Canada.

Galaxy Power has indicated in its talks with government officials that thousands of jobs have been created with the multiple Billions of dollars of the national Mining and Oil & Gas investments attributed to Flow Through Shares which were first magnificently instituted by successive Canadian Governments since approximately four (4) decades ago and endorsed by successive Provincial Governments.

Jean-Pierre Colin, President & CEO of Galaxy Power stated, "The historic changes contributing to the new Clean Tech Incentives contained in Budget 2022 are very significant for all Canadians. Galaxy Power warmly thanks and applauds the Canadian Government and all of the politicians and Members of Parliament and the senior government officials who put forward strong climate change action by endorsing new Clean Tech Incentives.

In addition to the well-meaning but financially limited ability of governments, the larger collective economic might of the Canadian Capital Markets is required in order to address the risky challenges of financing the urgent high-priced fight against GHG's. The expansion of Clean Technology Flow Through Share tax provisions has potential to attract the numerous Capital Market participants to become directly involved. Galaxy Power recognizes with pronounced esteem the vital efforts of all the non-partisan participants throughout all of Canada who continually foster the significance and expansion of eligibility of Clean Technology Flow Through Shares."

Jim Payne, President & CEO of *dynaCERT* stated, "As the owner of 20% of Galaxy Power, *dynaCERT* is very pleased with the proposed New Tax Credit for Investments in Clean Technology of Budget 2022. This successful endeavour, supported by *dynaCERT* and Galaxy Power, may have a historical significance one day in Canadian financial history. The long efforts of the entire team at Galaxy Power in furthering the new Clean Tech provisions

under Budget 2022 have been endorsed by the entire Canadian Government and we thank governments and parliamentarians for their availability and understanding. *dynaCERT* also thanks Galaxy Power for their tenacious initiative which can have long lasting economic benefits to *dynaCERT*."

### **About Flow Through Shares**

Clean Technology Flow Through Shares can enhance the non-government private sector in Canada to contribute to the international battle against climate change without the reliance on government grants. For more information on the subject of Flow Through Shares, please see the numerous Government of Canada web sites on the subject, including the one below:

<https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/flow-through-shares-ftss/investors/flow-through-share-program-works.html>

### **About Galaxy Power Inc.**

Please see: [www.galaxypower.ca](http://www.galaxypower.ca)

### **About *dynaCERT* Inc.**

*dynaCERT* Inc. manufactures and distributes Carbon Emission Reduction Technology for use with internal combustion engines. As part of the growing global hydrogen economy, our patented technology creates hydrogen and oxygen on-demand through a unique electrolysis system and supplies these gases through the air intake to enhance combustion, resulting in lower carbon emissions and greater fuel efficiency. Our technology is designed for use with many types and sizes of diesel engines used in on-road vehicles, reefer trailers, off-road construction, power generation, mining and forestry equipment, marine vessels and railroad locomotives.

Website: [www.dynaCERT.com](http://www.dynaCERT.com).

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*Except for statements of historical fact, this news release contains certain “forward-looking information” within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate” and other similar words, or statements that certain events or conditions “may” or “will” occur. In particular, forward-looking information in this press release includes, but is not limited to completion of the Offering, satisfaction of TSX listing conditions and regulatory approvals. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.*

*Forward-looking information is based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause the results to differ materially from those expressed in the forward-looking information include, but are not limited to: uncertainty as to whether our strategies and business plans will yield the expected benefits; availability and cost of capital; the ability to identify and develop and achieve commercial success for new products and technologies; the level of expenditures necessary to maintain and improve the quality of*

*products and services; changes in technology and changes in laws and regulations; the uncertainty of the emerging hydrogen economy; including the hydrogen economy moving at a pace not anticipated; our ability to secure and maintain strategic relationships and distribution agreements; and the other risk factors disclosed under our profile on SEDAR at [www.sedar.com](http://www.sedar.com).* Readers are cautioned that this list of risk factors should not be construed as exhaustive.

This Press Release should not be construed as tax advice nor investment advice. Readers are advised that they should consult their own tax advisors and investment advisors in regard to any investment related to Flow Through Shares or investments in Clean Technology Companies.

The forward-looking information contained in this news release is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

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**On Behalf of the Board**

**Murray James Payne, CEO**

# Contacts

## For more information:

Jim Payne, CEO & President  
dynaCERT Inc.

#101 – 501 Alliance Avenue

Toronto, Ontario M6N 2J1

+1 (416) 766-9691 x 2

[jpayne@dynaCERT.com](mailto:jpayne@dynaCERT.com)

Investor Relations

dynaCERT Inc.

Nancy Massicotte

+1 (416) 766-9691 x 1

[nmassicotte@dynaCERT.com](mailto:nmassicotte@dynaCERT.com)