



CHARBONE HYDROGEN CORPORATION

PRESS RELEASE

For immediate release

CHARBONE HYDROGEN Announces a Partnership with the City of Selkirk for one of the First Western Canadian Production Facilities of Green Hydrogen

Brossard, Québec, June 15, 2022 – CHARBONE HYDROGEN Corporation (TSXV:CH) (“**Charbone**”) is pleased to announce the execution, as of June 14, 2022, of an offer to lease (the “**Offer**”) between its fully-owned subsidiary, Charbone Hydrogen Manitoba Inc. (“**Charbone Manitoba**”), and the City of Selkirk (the “**City of Selkirk**”), pursuant to which Charbone Manitoba offers to lease from the City of Selkirk, a portion of land between three and five acres located west of the City of Selkirk’s decommissioned wastewater treatment plant (the “**Premises**”). Under the terms of the Offer, Charbone Manitoba intends to use the Premises for the establishment of the first green hydrogen regional hub in Manitoba for the production and distribution facility for the supply of green hydrogen. Accordingly, Charbone will leverage its expertise in the development, engineering, and construction of green hydrogen production facilities powered by renewable energies and the sale and distribution of its green dihydrogen into the prairies region.

The dimensions and exact location of the Premises shall be delineated and is subject to the terms of a formal lease agreement (the “**Lease**”). The term of the Lease will be no less than three years commencing on or about June 14, 2022 (the “**Term**”), subject to the terms and conditions set forth in the Lease. Charbone Manitoba shall have the option to renew the Term for a renewal term of up to two years on the same terms and conditions that are to be set out in the Lease.

The Offer, and the obligations of Charbone and the City of Selkirk to enter into the Lease, is conditional to the execution of an operation agreement (the “**Operation Agreement**”) and a royalty payment agreement (the “**Royalty Agreement**”) and, collectively with the Lease and the Operation Agreement, the “**Definitive Agreements**”), in connection with the proposed initial phase of up to 0.5 MW green hydrogen facility. Charbone will prepare the financing, development and permitting work for such facility, targeting commercial operations and initial deliveries as early as the second quarter of 2023. Charbone intends to use the “re-water” from the actual wastewater treatment plant and to provide residual oxygen to the City of Selkirk wastewater pound, creating a circular water economy.



“We are very pleased that the City of Selkirk welcomes Charbone for its second Canadian facility and first green hydrogen project in Manitoba. It is our first step in Western Canada,” said Dave B. Gagnon, Chairman and CEO of Charbone. *“Charbone’s model of small-scale, modular, and scalable regional hubs is receiving a lot of attention from the markets where we want to operate, as it is socially acceptable by the local communities, which sees themselves in our project, and it provides a solution to the transport and delivery limitations of hydrogen. The responsiveness and the enthusiasm received from the City of Selkirk and from the government of Manitoba have been instrumental in our decision to move forward with this project.”*

“The location of Manitoba’s first green hydrogen project in the City of Selkirk is a true milestone in Manitoba’s energy sector, and a very exciting one at that,” said Cliff Cullen, Manitoba Minister of Economic Development, Investment and Trade. *“As this project moves ahead, we look forward to the development of new jobs and new opportunities to further expand reliable and sustainable energy projects across the province.”*

“The City of Selkirk is ecstatic about becoming home to Western Canada’s first green hydrogen production facility. With sustainability at the core of Selkirk growth strategy, this initiative will contribute to the development of new clean energy options for all of Manitoba and beyond. Charbone’s Selkirk facility has the potential to support existing companies and attract new investment and employment opportunities as market demand for carbon-free energy alternatives continues to increase. Innovative, dynamic and evolving, this represents something truly special” said Tim Feduniw, Director of Sustainable Economic Development for the City of Selkirk.

About Charbone

Charbone is a Canadian green hydrogen company established in North America. The company’s strategy consists in developing modular and expandable hydrogen facilities. Through the acquisition of hydropower plants in the United States of America and Canada, Charbone intends to produce green dihydrogen molecules using reliable and sustainable energy to distinguish itself as a supplier of an environmentally friendly solution for industrial and commercial companies.

About the City of Selkirk

The City of Selkirk is a small city with big city attitude nestled along the banks of the Red River approximately 20 kilometers North of Winnipeg, in Manitoba, Canada.

Forward-Looking Statements

*This news release contains statements that are "forward-looking information" as defined under Canadian securities laws ("**forward-looking statements**"). These forward-looking statements are often identified by words such as "intends", "anticipates", "expects", "believes", "plans", "likely", or similar words. Specifically, this news release includes forward-looking statements regarding Charbone’s expected commercialization and supply and*



logistics business opportunities related to green hydrogen, the expected completion of the City of Selkirk production and distribution facility, the negotiation and completion of the Definitive Agreements between Charbone Manitoba and the City of Selkirk and the expected timing of such events. The forward-looking statements reflect Charbone's respective management's expectations, estimates, or projections concerning future results or events, based on the opinions, assumptions and estimates considered reasonable by management at the date the statements are made. Although Charbone believes that the expectations reflected in the forward-looking statements are reasonable, forward-looking statements involve risks and uncertainties, and undue reliance should not be placed on forward-looking statements, as unknown or unpredictable factors could cause actual results to be materially different from those reflected in the forward-looking statements. Among the key factors that could cause actual results to differ materially: whether Charbone Manitoba and the City of Selkirk are successful in negotiating and entering the Definitive Agreements and whether the City of Selkirk production and distribution facility will be constructed and operational in the anticipated time frame. The forward-looking statements may be affected by risks and uncertainties in the business of Charbone.

Except as required under applicable securities legislation, Charbone undertakes no obligation to publicly update or revise forward-looking information.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Contacts

For further information, please contact:

Dave B. Gagnon
Chief Executive Officer and
Chairperson of the Board
CHARBONE Hydrogen Corporation
Telephone: +1 450 678-7171
Email: dg@charbone.com

Daniel Charette
Chief Operating Officer

CHARBONE Hydrogen Corporation
Telephone: +1 514 980 5841
Email: dc@charbone.com

Stéphane Dallaire
Chief Financial Officer and Head of
Corporate Finance
CHARBONE Hydrogen Corporation
Telephone: +1 514-234-2544
Email: sd@charbone.com