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Q2 2026 Results & Corporate Update

August 31, 2026

charbone

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CHARBONE is a vertically integrated industrial gases company

INDUSTRIAL GASES FOR ALL APPLICATIONS

H_2	He	O_2	C_2H_2	Ar	N_2	N_2O	CO_2	CO	+ all other gases
Hydrogen	Helium	Oxygen	Acetylene	Argon	Nitrogen	Nitrous Oxide	Carbon Dioxide	Carbon Monoxide	
2026			Future						

CHARBONE'S INDUSTRIAL GASES PLATFORM

Clean UHP Hydrogen Production Plants

H_2
Hydrogen

PROJECT PIPELINE

Sorel-Tracy, Canada
Michigan, USA
Wisconsin, USA
Malaysia, Asia-Pacific
12+ Other Plants

Focused on serving industrial hydrogen users across North America and Asia-Pacific

Regional Supply Hubs

STORAGE

DISTRIBUTION

END MARKETS

Semiconductor Fabs
AI & Data Centers
Advanced Pharma & Biotech
Aerospace & Defense
Precision Labs
Independent Industrial Merchants

CHARBONE Snapshot

Unmatched purity

Supplying Ultra-High-Purity (UHP) gases meeting the most stringent industry requirements across all molecules

Clean & Sustainable

Cleanest available local renewable energy sources for production and distribution of clean UHP H_2

Community-Driven Growth

Human-scale, transparent and locally rooted — building regional networks that drive positive economic impact within communities

Risk Mitigation

De-risk projects by scaling with a demand-centric, modular and fast-track approach

Integrated Supply Network

Decentralized supply hubs for storage and distribution of industrial gases close to customers

High-Growth End Markets

Serving semiconductors, AI & data centers, advanced pharma, and aerospace & defense — sectors where UHP gases are mission-critical

Our Mission

Become the leading decentralized, vertically integrated UHP industrial gases company in North America and Asia-Pacific — producing, storing, and distributing critical high-purity gases to the industries of the future.

Powering semiconductors, AI, pharma, and aerospace with reliable, locally produced UHP industrial gases.

CHARBONE Second Quarter 2026 Results & Activities

Q2 RESULTS

Gas Income Q2 vs Q1 2026	Gas Income YTD	PP&E Assets
+155%	**+100%**	**+C$3.5M**
C$0.5M in Q2 2026 vs. C$0.2M in Q1 2026	C$0.6M in H1 2026 vs. nil in H1 2025	increase in PP&E since December 31, 2025

Q2 HIGHLIGHTS & RECENT ACTIVITIES

- ✓ **Recurring revenues grew throughout Q2 2026**, with new customer additions across hydrogen, helium and oxygen
- ✓ **C$3M first tranche drawn on new C$10M convertible loan facility** to fund Phase 1B and platform expansion
- ✓ PP&E assets **up C$3.5M since December 31, 2025**, reflecting continued platform investment
- ✓ Name changed to **Charbone Corporation** (from Charbone Hydrogen Corporation); Registered address **relocated to Varennes, Quebec**
- ✓ Helium fleet **expanded from 1 to 5 units**; **22 new Quebec customers** added; Commitments **secured through 2028** (July 2026)
- ✓ **Phase 1B advancing** at Sorel-Tracy; **Electrolyzer on site** and **distribution equipment deployed** ahead of demand growth; Fall 2026 commissioning **on track**

Industrial Gases Industry
A Critical Backbone of the Modern Economy

GLOBAL ULTRA-HIGH PURITY (UHP) GAS MARKET

- **Market Size:** Projected growth from US$37.5B in 2025 to US$52.8B by 2030 (CAGR of 7.1%) [1]
- **Demand Drivers:** Semiconductors, AI & data centers, advanced pharma, aerospace & defense [1,2]
- **Supply** dominated by a handful of global giants — creating a structural gap for regional, modular, decentralized players like CHARBONE

H_2 CLEAN UHP HYDROGEN

CHARBONE's core production molecule

- Fastest-growing segment globally [3]
- Less than 1% of supply currently low-emissions [3]

He HELIUM

Strategic, high-margin, supply-constrained

- Strategic raw material, classified by the EU, Canada and U.S. as critical for national and economic security [4,5]
- No viable substitutes in key applications [6]

O_2 N_2 AR + ALL OTHER GASES

Recurring revenue foundation

- UHP semiconductor gas market: $7.4B in 2025, growing to $14.2B by 2034 at 7.5% CAGR [1]

[1] MarketsandMarkets - High Purity Gas Market Report 2025 [2] McKinsey & Company - Industrial Gases: Growth Engines in a Changing Energy System
[3] IEA Global Hydrogen Review 2025 [4] European Commission Critical Raw Materials Act 2023 [5] Natural Resources Canada Critical Minerals List 2024
[6] U.S. Geological Survey Mineral Commodity Summaries 2025

Industrial Gases Industry

Hydrogen & Helium: High-Growth, High-Margin, Undersupplied

H_2 Hydrogen

He Helium

H_2 CLEAN UHP HYDROGEN

- Global hydrogen demand reached nearly 100 million tonnes in 2024, less than 1% from low-emissions sources [1]
- Fossil-based supply dominance creates a massive structural opportunity for clean UHP producers [1]
- Capital investment in low-emissions hydrogen nearly doubled in 2024 to \$4.3B, projected to nearly double again in 2025 to ~\$8B [1]
- Low-emissions hydrogen production set to reach 4.2 Mtpa by 2030, a fivefold increase vs. 2024 [1]

Drivers: semiconductor fabs, AI data centers, carbon-price pressure, industrial decarbonization mandates

He HELIUM

- Classified by the EU, Canada and the U.S. as a strategic critical material with no viable substitutes in semiconductor manufacturing, MRI, aerospace, and fiber optics [2,3,4]
- Global helium market projected to grow from USD \$3.3B in 2025 to USD \$5.5B by 2034 [5]
- Semiconductors account for 24% of global helium consumption in 2025, projected to rise to 30% by 2030 [3]
- Supply highly geographically concentrated — chronic shortage risk creates pricing power for reliable regional distributors [3]

Directly aligned with CHARBONE's target end markets: semiconductors, AI, advanced pharma, aerospace & defense

[1] IEA Global Hydrogen Review 2025 [2] European Commission Critical Raw Materials Act 2023 [3] U.S. Geological Survey Mineral Commodity Summaries: Helium 2025
[4] Natural Resources Canada Critical Minerals List 2024 [5] Grand View Research - Helium Market Report 2025–2034

Industrial Gases Industry

Not all hydrogen is created equal

	STEAM METHANE REFORMER (SMR)	CARBON CAPTURE (CCS)	ELECTROLYSIS (CHARBONE'S CLEAN ULTRA-HIGH PURITY HYDROGEN)
Production Method [1]	Fossil-based (SMR)	SMR + CCS	Electrolysis (powered by low-carbon or renewable energy)
Primary Energy Source [1]	Natural gas	Natural gas + CCS	Cleanest baseload renewable electricity
Carbon Emissions [1,2]	High (~10 kg CO_2/kg)	Medium to Low	Very Low to Zero
Gas Price Volatility [3]	✓ High	✓ High	✗ Zero
Supports Decarbonization?	✗ No	⚠ Partially	✓ Yes
Long-Term Outlook	Declining	Transitional	Strong growth in demand

[1] IEA Global Hydrogen Review 2025
[2] European Commission Critical Raw Materials Act 2023
[3] U.S. Geological Survey Mineral Commodity Summaries: Helium 2025
[4] Natural Resources Canada Critical Minerals List 2024
[5] Grand View Research - Helium Market Report 2025–2034

99.999%+

Ultra High Purity (UHP) Hydrogen[2,4]

REQUIRED FOR: [3,5]

- Semiconductor fabs
- AI & data centers
- Precision labs
- Pharmaceutical & biotech
- Aerospace applications
- Advanced defense technologies

WHY PURITY MATTERS? [4]

- Damages fuel cells
- Reduces efficiency
- Ruins semiconductor wafers
- Contaminates chemical/pharma production

Industrial Gases Industry
Competitive Landscape

CENTRALIZED MEGA PLANTS FOR INDUSTRIAL GASES

Air Liquide

Air Products

Messer

Iwatani

Airgas

Linde

AIR WATER

NIPPON GASES

MATHESON

DECENTRALIZED, LOCAL, MODULAR PLANTS

charbone

CHARBONE has no known advanced-stage competition in the modular, decentralized clean UHP hydrogen production market

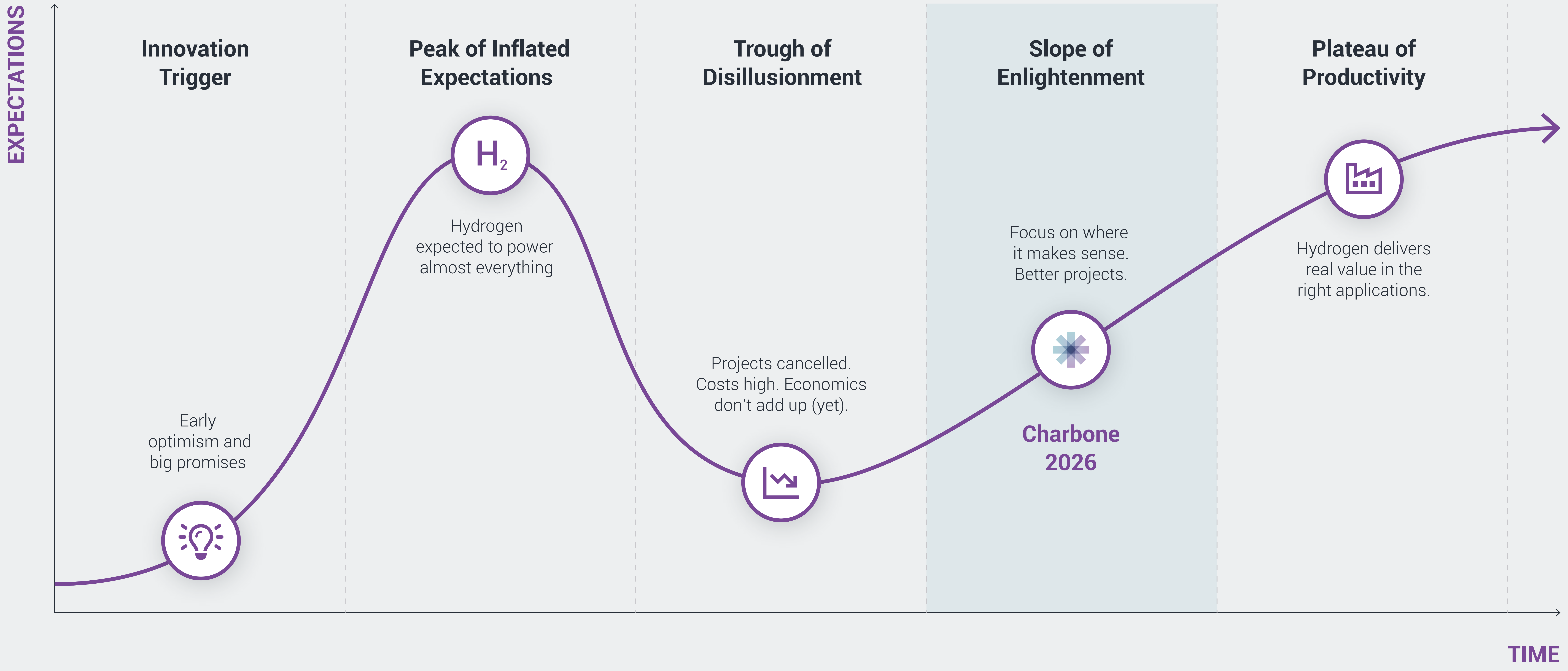
CHARBONE's modular, decentralized approach directly solves the cost, purity, logistics, and emissions problems created by traditional mega-plant hydrogen suppliers — unlocking regional clean hydrogen markets that the majors cannot efficiently serve.

Industrial Gases Industry
Why the Market Is Ripe for a Disruptive Modular Approach

	MEGA HYDROGEN PLANTS (CENTRALIZED MODEL)	MODULAR LOCAL / DECENTRALIZED PRODUCTION (CHARBONE MODEL)
Production Scale [1, 3]	Very Large (3 - 7+ years to deploy; permitting, construction, infrastructure)	Small to mid-scale modular units that scale with demand (6 - 12 months; fast and flexible deployment)
CAPEX [1,4,6]	$$$$ Very high (hundreds of millions to billions)	$ Low (deployable in phases at a fraction of the cost)
Distance to Customer [3]	Often hundreds of miles away from end-users	Local to Hyper-local (near the point of use)
Transportation Requirements [2,6]	- Heavy reliance on long-haul trucking requiring conversion from gas to liquid resulting in additional CAPEX - Loss from conversion and transportation process	- No need to convert gas into liquid hydrogen format for transportation - No product loss - Minimal transportation cost (Reduced carbon footprint)
Ability to Serve Small & Mid-Sized Customers [3]	Low priority for global majors	Strong – optimized for underserved markets
Supply Reliability [1]	Vulnerable to logistics disruptions and long lead times	Highly reliable; local redundancy and rapid delivery
Best-Fit Markets [1,3,5,6]	Refining, ammonia, heavy industrial	Semiconductors, AI & data centers, advanced pharma, aerospace & defense, precision labs, backup power
Overall Market Outlook [1,3]	Mature, slow-growth, increasingly regulated	High-growth, scalable, aligned with future energy systems

[1] IEA Global Hydrogen Review 2025 [2] U.S. DOE - Hydrogen Delivery Technical Targets [3] McKinsey - Industrial Gases: Growth Engines in a Changing Energy System & Global Energy Perspective 2025
[4] BloombergNEF - Hydrogen Economy Outlook 2025 [5] SEMI International Standards [6] CHARBONE corporate disclosures

Clean Hydrogen Has Passed The Trough of Disillusionment



Sorel Tracy Project
Ultra High Purity (UHP) Hydrogen Production

OVERVIEW

Location: Sorel-Tracy, Quebec, Canada

Modular Approach: Up to 5 Phases; Scale-up as market and demand grow

Emissions Reduction: Plans to reduce greenhouse gas emissions by 10 kilograms for each kilogram of hydrogen produced

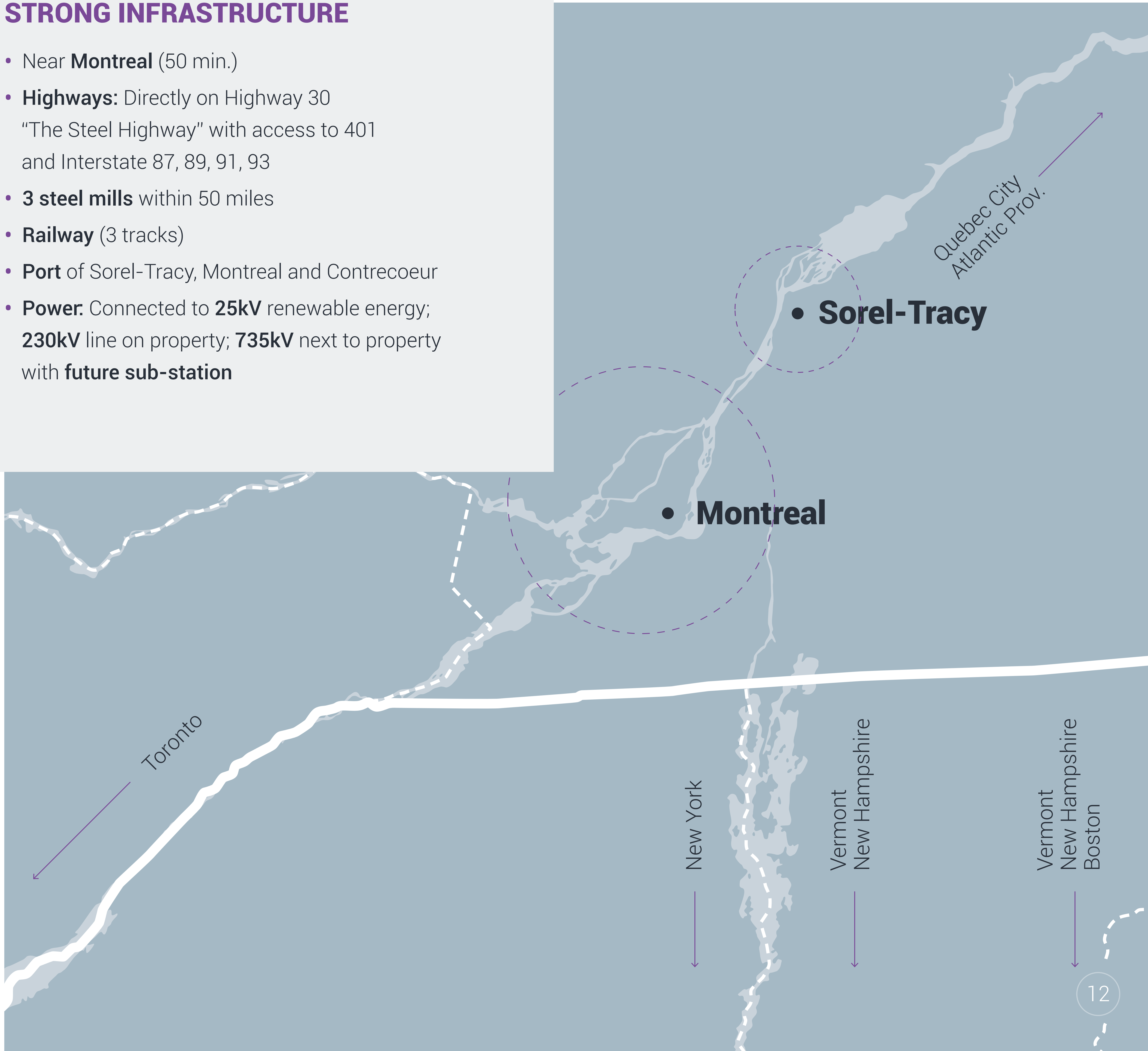
Govt Approval: Quebec Government granted environmental approval initially on up to 5.0 MW

Power: Use of renewable "baseload power" from Hydro-Quebec (grid 100% renewable in Quebec)

Land: A 26-year land lease agreement (with an extension of 10 years) signed in 2021 for the subject site spanning approximately 400,000 sq. ft.

STRONG INFRASTRUCTURE

- Near **Montreal** (50 min.)
- **Highways:** Directly on Highway 30 "The Steel Highway" with access to 401 and Interstate 87, 89, 91, 93
- **3 steel mills** within 50 miles
- **Railway** (3 tracks)
- **Port** of Sorel-Tracy, Montreal and Contrecoeur
- **Power:** Connected to **25kV** renewable energy; **230kV** line on property; **735kV** next to property with **future sub-station**



Sorel Tracy Project

Ultra High Purity (UHP) Hydrogen Production

PHASE 1-2

2.25 MW

scaled up to

4.75 MW

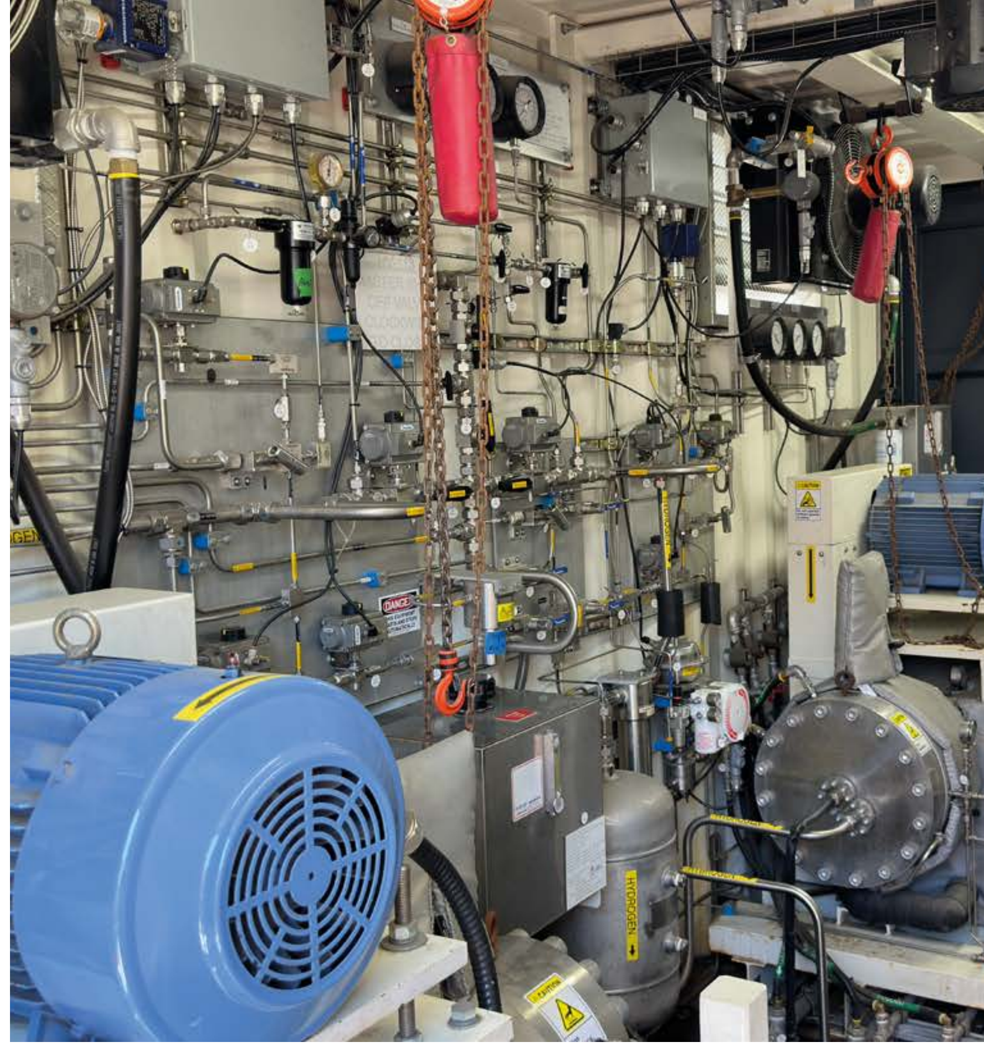
5,000 sq. ft building

Initially deploying:

- 2 electrolyzers with a capacity of 2.25 MW
- Compressors
- Storage

Status:

Commercially producing



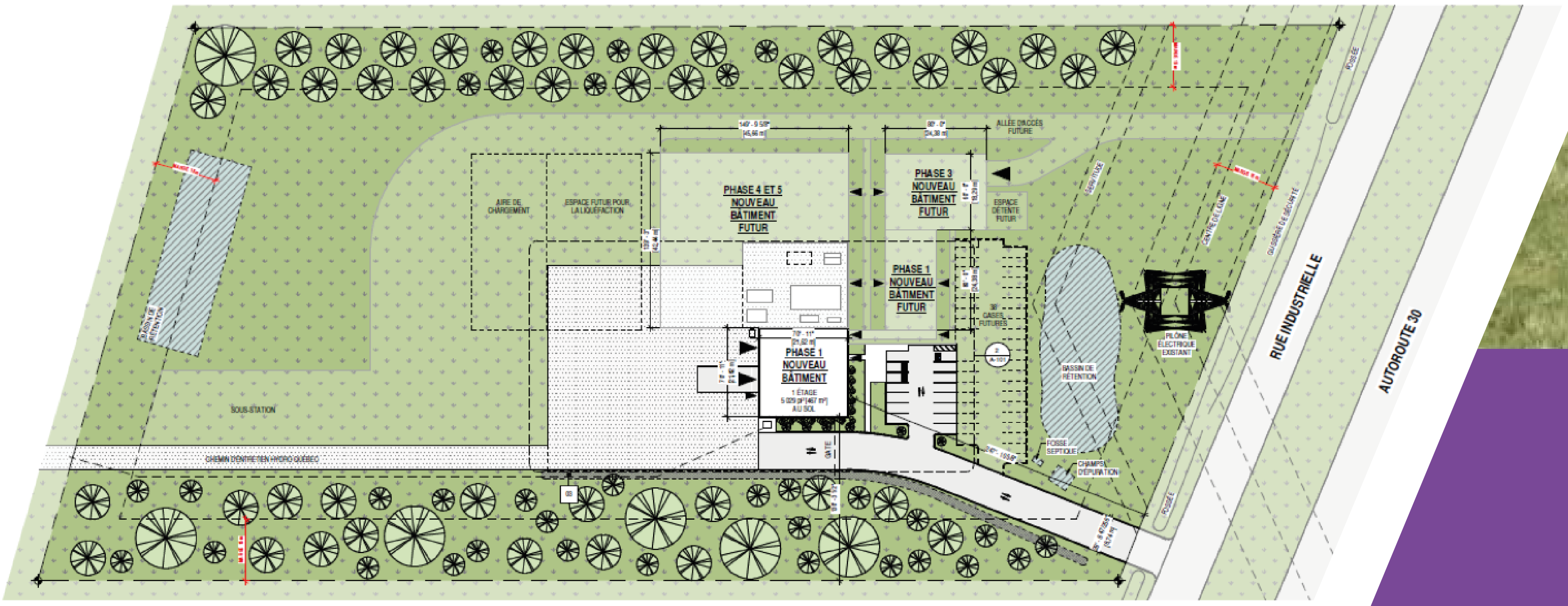
PHASE 1-2

Sorel Tracy Project
Ultra High Purity (UHP)
Hydrogen Production

**PROJECT EXPANSION
PHASE 3-5**

4.75 MW
scaled up to
25.65 MW

30,000 sq. ft building



**PROJECT EXPANSION
PHASE 3-5**

Sorel Tracy Project
Ultra High Purity (UHP) Hydrogen Production

HyChem by charbone

PROJECTED FINANCIAL PERFORMANCE (PHASES 1-2)

Project Financials	Phase 1	Phase 2
Capacity (MW)	2.25	4.75
H2 Prod. (TPY)	328	694
Sales/Year (C$M)	$5.1	$11.0

CURRENT STATUS

- ✓ **Q4 2025:** Phase 1A successfully launched
- ✓ **Q4 2025:** Continuous commercial production and initial sales
- ✓ **Q1 2026:** Multiple US and Canadian sales
- → **Next Step:** Scale-up Phase 1B
- → **Future Growth:** Scale-up Phases 3-5 in line with demand

Strong network of offtake customers

Added Value: The Clean Hydrogen ITC could provide a tax credit of up to 40% of the total equipment cost to the Company

Disclaimer: Projected Financial Performance reflects Phases 1 and 2 only. Phases 3-5 are excluded in accordance with section 4A.8 of the General Instruction relating to Regulation 51-102 issued by the Canadian Securities Administrators, which limits forward-looking financial projections to phases with sufficient near-term certainty to support disclosure.

Hydrogen Production Portfolio Expansion

DETROIT, MICHIGAN, USA

Strategically Located:

- Proximity to growing semiconductor and advanced manufacturing facilities in the Great Lakes corridor that use hydrogen today and are under pressure to cut emissions in their production processes
- Strong, local, industrial markets: Chicago, Cleveland, and Toledo markets

H2 Output: Similar commissioning plan as Charbone's Sorel- Tracy Plant with planned production from Phase 1 of 1 ton/day

Power: 1 Ton/day

WISCONSIN, USA

Strategically Located: Proximity to high-tech and pharmaceutical companies

H2 Output: 200 kg/day project (0.5MW) like Phase 1A at the Sorel-Tracy Plant

Renewable Power – Owned by Charbone: Leveraging Charbone's Wolf River hydro dam assets for a more profitable H2 production project

Land: 157,687.2 sq ft owned by Charbone

Hydrogen Production Portfolio Expansion

MALAYSIA, ASIA-PACIFIC

Focus: Clean UHP hydrogen production targeting semiconductor, electronics and advanced manufacturing industries across Southeast Asia

Partner: Green Hydrogen ASIAPAC SDN BHD

Model: Asset-light equity participation with active operational role

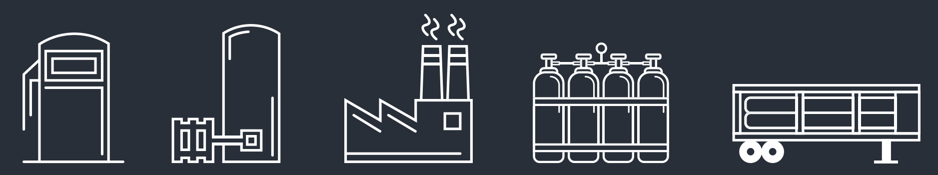
Strategically Located :
Malaysia is a top-10 global semiconductor manufacturing hub
Southeast Asia's industrial gas demand is growing rapidly, driven by foreign direct investment in chip fabs, data centers and advanced manufacturing

Achievements:
- ✓ Advisory engagement launched and initial revenues received (Q4 2025)
- ✓ Executive mission completed — CEO Dave Gagnon & SVP Patrick Cuddihy (Q1 2026)
- ✓ Aligned intent confirmed with government & all partners (Q1 2026)
- ✓ CHARBONE equity participation in Green Hydrogen ASIAPAC — intent confirmed (April 2026)

Regional Supply Hubs

For storage and distribution supporting CHARBONE hydrogen production and other industrial gas sales

- **Vertically integrated platform** delivering clean UHP hydrogen and critical industrial gases through a decentralized network of regional supply hubs
- **Developing hubs in Ontario, Quebec, Nova Scotia and New York** — targeting 6–8 regional hubs across North America
- **Asset-light**, partnership-driven model
- **Hydrogen and helium tube trailers deployed**, supporting commercial deliveries across Ontario, Quebec and New York State
- **Multi-year supply agreements established** with a subsidiary of one of the world's largest chemical and industrial conglomerates
- **Recurring revenue** stream
- **Develop long-term contracts** with industrial and commercial gas users



Corporate Milestones

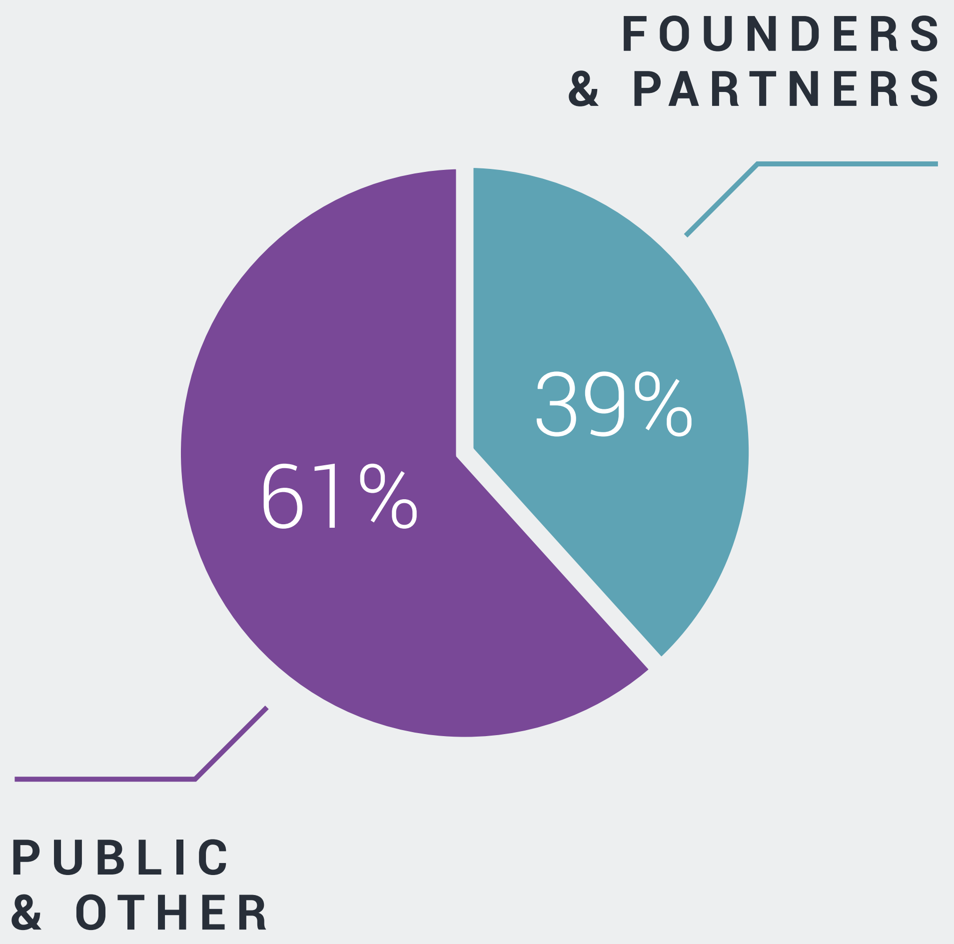
CLEAN UHP HYDROGEN PRODUCTION PLANTS	Q4 2025	H1 2026	H2 2026
Sorel-Tracy (Quebec, Canada)	✓ Phase 1A launched ✓ Initial H2 revenues ✓ Continuous commercial production	✓ Multiple US and Canadian sales (Q1) → **Scale-Up Phase 1B**	→ **Launch Phase 1B** → **Scale-Up Phase 2**
Detroit (Michigan, United States)		→ **Site selection** → **Site permitting / development**	→ **Scale-Up Phase 1**
Wisconsin (United States)		✓ Leveraging existing owned land with hydro dams for future H_2 production (April)	→ **Site permitting / development**
Malaysia (Asia-Pacific)	✓ Advisory engagement launched ✓ Initial advisory revenues	✓ Executive mission completed; Aligned intent confirmed with government and all partners (Q1) ✓ CHARBONE equity participation and operational role in Green Hydrogen ASIAPAC - intent confirmed (April 2026)	→ **Confirm equity participation** → **Project development & expansion**

REGIONAL SUPPLY HUBS	Q4 2025	H1 2026	H2 2026
Storage and Distribution of Industrial Gases	✓ Hydrogen tube trailer deployed ✓ Helium tube trailer deployed ✓ Multi-year supply agreements established	✓ Initial UHP Hydrogen order (Q1) ✓ Initial UHP Oxygen order (Q1) ✓ Initial UHP Helium order (Q1) ✓ Multiple deliveries confirmed – US and CA (Q1) → **Develop hubs in Ontario, Quebec, Nova Scotia, New York**	→ **Additional hub locations across N.A. (Targeting 6-8 hubs)**

Share Metrics & Team

Share Structure*	SHARES OUTSTANDING	WARRANTS	CONVERTIBLE DEBT	OPTIONS	FULLY DILUTED
	289,893,228	43,380,377 (avg price of C$0.09)	41,099,000	7,550,000	381,922,605

*As of August 27, 2026



Management and Directors

Dave B. GAGNON
Chairman & CEO
Director

Benoit VEILLEUX
CFO

André HALLEY
Director

Denis CREVIER
Director

Daniel CHARETTE
COO

Patrick CUDDIHY
Industrial Gases

François VITEZ
Director

Frederic LECOQ
Director

David ATKINSON
Project Manager

Stephane SÉJOURNÉ
Natural Hydrogen

Jean-Claude GONNEAU
Director

Gregory FOUREL
Director

Jean WATELLE
Hydrogen production

Market Cap
@ C$0.15
$43.5M

As of August 27, 2026

Takeaways

Regional Supply Hubs for local storage and distribution support Charbone clean UHP hydrogen production and industrial gas sales

Network of decentralized, modular and scalable clean UHP production plants close to end users reduces OPEX and transportation costs

Low cost clean and/or renewable energy sources – **Lowest-emission**

Stable and reliable baseload, connected to the network reduces overall electricity costs

Industrial gases sold to strong network of offtake customers and through distribution agreements

Diversified revenue streams through clean UHP hydrogen production and a growing network of regional supply hubs for other industrial gases

Opportunities to invest in a vertically integrated UHP industrial gases platform at this stage of growth are rare

Unmatched Purity.

Contact Us

CHARBONE CORPORATION

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Clean UHP Hydrogen Production • Regional Industrial Gas Supply

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