



CHARBONE HYDROGEN CORPORATION

PRESS RELEASE

For immediate release

Charbone Hydrogen Announces the execution of the lease with the City of Selkirk for the Manitoba Green Hydrogen Production Facilities

Brossard, Québec, November 8, 2022 – Charbone Hydrogen Corporation (TSXV:CH) (“**Charbone**”) is pleased to announce the execution, as of November 7, 2022, of a lease (the “**Lease**”) between its wholly-owned subsidiary, Charbone Hydrogen Manitoba Inc. (“**Charbone Manitoba**”), and the City of Selkirk, Manitoba pursuant to which Charbone Manitoba is leasing from the City of Selkirk a land parcel of 4.6 acres located west of the City of Selkirk’s decommissioned wastewater treatment plant (the “**Premises**”). Under the terms of the Lease, Charbone Manitoba will design, construct, and operate the first green hydrogen regional hub in Manitoba for the production and distribution facility for the supply of green hydrogen. Accordingly, Charbone and its distribution partner Superior Propane (a subsidiary of Superior Plus) will leverage their mutual expertise in the sale and distribution of green dihydrogen into Manitoba and the Canadian Prairies.

The term of the Lease is for three years commencing on November 1st, 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 subsequent years on the same terms and conditions that are set out in the Lease. The parties will negotiate either to extend the Lease and the size of the leased Premises at the same location or negotiate a relocation within the City of Selkirk’s industrial park.

Charbone has completed and filed the required Manitoba Environmental Act Proposal Form and will soon start the selection process for an environmental assessment engineering firm to prepare all of the required environmental assessment studies and reports to be submitted under the Manitoba Environmental Act. In parallel, Charbone will initiate the financing, design and engineering of the facility for the initial phase 1, with the goal of targeting commercial operations and initial deliveries as early as the fourth 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’s wastewater pound, thus creating a circular water economy.

Charbone is also the initiator and one of the founders of the Manitoba Green Hydrogen Roundtable that now welcomes over twenty local stakeholders interested in the decarbonisation of the Manitoba economy on diverse sectors such as industrial applications and processes, light, medium and heavy transportation as well as the future aviation sector.



*“This is a very exciting achievement for Charbone to finalize the lease with the City of Selkirk and launch the environmental assessment process on our second green hydrogen production facility in Canada,” said **Dave B. Gagnon, Chairman and CEO of Charbone.** “The number of opportunities and projects using hydrogen that are arising from Charbone’s initiative of producing green hydrogen locally from the City of Selkirk, the government of Manitoba and from the Premier and her team are an incredible motivation for Charbone to continue to participate in the development of the Manitoban green hydrogen ecosystems and to support the transition of its economy towards a greener and more sustainable model.”*

*“The location of Charbone’s green hydrogen project in the City of Selkirk is a true milestone and clearly shows that Manitoba is the place to invest as the world shifts to a low carbon economy,” said **Cliff Cullen, Manitoba Minister of Economic Development, Investment and Trade.** “As this project advances, we look forward to more jobs and new opportunities as Manitoba continues its work to realize its full potential to provide reliable and sustainable energy to the world”.*

*“The signing of this agreement brings us one step closer to securing Manitoba’s first hydrogen production facility. As a green hydrogen producer, Charbone is in lockstep with Selkirk’s commitment to sustainable growth. The facility will result in local jobs and contribute to a stronger and stable local economy by stimulating innovation and growth in this evolving sector”, said **Selkirk’s Director of Sustainable Development, Tim Feduniw.***

“Selkirk is becoming recognized as a major contributor to Manitoba’s circular economy by working with and attracting green industry with the ability to support existing companies, attract new investment and provide employment opportunities as market demand for carbon-free energy alternatives continues to increase. Sustainable, intentional growth is at the core of what we do here and we’re looking forward to new partnerships, new investments, and a clean and green future.”

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, Manitoba is a small progressive city located on the banks of the Red River with a population of approximately 11,000. The city has demonstrated leadership in taking action against climate change, has made the right investments and positioned themselves to attract sustainable development and welcome new business.



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 management's respective 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 or at all.*

The forward looking statements may be affected by risks and uncertainties in the business of Charbone. These risks, uncertainties and assumptions include, but are not limited to, those described under "Risk Factors" in the Corporation's Filing Statement dated March 31, 2022, which is available on SEDAR at www.sedar.com; they could cause actual events or results to differ materially from those projected in any forward-looking statements.

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.



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