



CHARBONE HYDROGEN CORPORATION

PRESS RELEASE
For immediate release

CHARBONE HYDROGEN ANNOUNCES CLOSING OF A FIRST TRANCHE OF ITS \$0.75M NON-BROKERED PRIVATE PLACEMENT AND UNITS FOR DEBTS FINANCING FOR A TOTAL AMOUNT OF \$0.34M

NOT FOR DISSEMINATION OR DISTRIBUTION INTO THE UNITED STATES OR THROUGH UNITED STATES NEWSWIRE SERVICES

Brossard, Quebec, December 7, 2023 – Charbone Hydrogen Corporation (TSXV:CH, OTCQB:CHHYF, FWB:K47) (“**Charbone**” or the “**Company**”) is pleased to announce the closing of a first tranche of a private placement financing of units of the Company for gross proceeds of \$251,500 (the “**Offering**”) and Units for debt settlement of \$88,066, for a total of \$339,566.

Each of the units offered (each a “**Unit**”), priced at \$0.05 per Unit, was comprised of one common share of the Company (each, a “**Unit Share**”) and one common share purchase warrant (each, a “**Warrant**”). Each Warrant will entitle the holder thereof to purchase one additional common share of the Company at an exercise price of \$0.05 for a period of 12 months following the closing date of the Offering (the “**Closing Date**”). A total of 5,030,000 Units were issued pursuant to the closing of the first tranche of the Offering. The Company may issue up to an additional 9,970,000 Units, for gross proceeds of up to \$498,500 representing a total Offering of up to \$750,000.

At the Closing Date, the Company engaged to pay a finder’s fee of \$10,150 plus to issue 203,000 finder’s warrants to a registered finder in connection with sale of Units to a qualified subscriber introduced to the Company by such finder.

The Units were offered by way of the “accredited investor” exemptions under National Instrument 45-106 – *Prospectus Exemptions* (in Québec, Regulation 45-106 – *Prospectus Exemptions*). However, the Company reserves the right not to accept subscription amounts of less than \$5,000 (100,000 Units) to avoid disproportionate administrative costs.

The proceeds from the Offering are intended to be used by the Company to finance operations to continue Sorel-Tracy (Qc, Canada) project and to prepare a significant potential financing transaction.

The closing of the Offering remains subject to the approval of the TSX Venture Exchange and other customary closing conditions. The Company intends to close a second tranche in the coming days, but no later than December 22, 2023. All securities issued pursuant to the Offering are subject to a statutory four month hold period in Canada following the Closing Date.



This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**1933 Act**”) or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.

The Company has settled with arm’s length suppliers \$88,066 of payables through the issuance of units. Each of the units offered, priced at \$0.10 per Unit, was comprised of one common share of the Company and one common share purchase warrant. Each Warrant will entitle the holder thereof to purchase one additional common share of the Company at an exercise price of \$0.12 for a period of 12 months following the closing date. A total of 880,660 Units will be issued pursuant to the closing, at a conversion price per unit of \$0.10. The Company believes that the settlement of the payables through the issuance of securities is appropriate at the present time in light of the various project commitments and the overall need to manage its cash in a prudent manner. Any debt settlement will be reflected by a formal agreement and will be subject to the approval of the TSX Venture Exchange. Any securities issued pursuant to a debt settlement will be subject to a statutory four month hold period in Canada and be released in a manner of 25% of the total shares received every quarter over a period of twelve (12) months.

In addition, the Company has entered into a media services agreement with Proactive Investors North America Inc. (“**Proactive**”) to raise public awareness of the Company and enhance its profile with the global investment community. Proactive reporters will provide coverage of the Company’s news releases, interviews with the Company’s executives and a dedicated landing page across Proactive’s website network. Proactive’s content will also be syndicated across social media, news aggregators and news tracking services. Proactive has not been engaged to provide investor relations services. Proactive’s media package is for a term of one year at an annual fee of \$45,000. Proactive has also subscribed for 900,000 Units of the current Offering. No stock options are being granted to Proactive and no other compensation is payable in connection with its engagement.

About Charbone Hydrogen Corporation

Charbone is a green hydrogen group established in North America. The company's strategy is to develop modular and expandable hydrogen facilities and regional hubs. Charbone will be able to produce green dihydrogen molecules using reliable and sustainable energy in order to distinguish itself as a supplier of an ecological solution for industrial, commercial and mobility users.

About Proactive Investors North America Inc.

Proactive is a multimedia news organization and events management company based in Toronto, Canada which operates financial websites providing breaking news and commentary on listed companies.



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. The forward-looking statements reflect 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. 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, along with risks relating to the Offering and the intended use of proceeds of the Offering; 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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