



## CHARBONE HYDROGEN CORPORATION

### PRESS RELEASE

*For immediate release*

### **CHARBONE HYDROGEN Announces the execution of a Memorandum of Understanding with ESG ENERGY for the development and deployment of a hydrokinetic projects to support green hydrogen production**

**Brossard, Québec, December 12, 2022** – CHARBONE HYDROGEN CORPORATION (TSXV:CH) (“**Charbone**”) is pleased to announce the execution of a Memorandum of Understanding dated December 9, 2022 (the “**MOU**”) with ESG Energy Holdings, LLC (“**ESG Energy**”) for the mutual cooperation, to co-develop and permit riverbed hydrokinetic projects showcasing a newly developed power system (the “**Projects**”) to support green hydrogen production.

Charbone and ESG Energy will subsequently negotiate the terms and conditions of a definitive agreement (the “**Agreement**”) for a first project to be selected by the two partners using the TE-1 power system, either to be implemented at one of Charbone’s hydropower generation plants to increase its revenue under an existing power purchase agreement from the energy supplied by the TE-1 power system, or as a stand alone project to be implemented into a region where Charbone is planning to develop and build a green hydrogen facility.

Charbone will use its expertise in the development, construction, and operation of renewable power systems, while ESG Energy will use its expertise to support Charbone in the selection of an appropriate location and the permitting of such projects. The Project is intended to showcase TE-1’s low-cost renewable baseload power production which captures energy through water current reliably and at high-capacity factor, and without any in river civil works. The TE-1 power system has been designed using established and commercially proven components.

*“Charbone has been developing a relationship with ESG Energy and Dennis Ryan since almost two years for different partnerships that we are still in discussions, I’m glad that we have succeeded to execute this first MOU for a real hydrokinetic project in USA,”* said Dave B. Gagnon, Chairman and CEO of Charbone. *“The need for green hydrogen powered with renewable baseload energy is increasing in many areas where no hydropower dams are installed, and the ability to leverage the technology of our partner TE in rivers, canals, and some of the 80,000 North American non-powered dams is a significant opportunity for Charbone”.*



*“We have been studying the deployment of river based generating systems since 2010 and are excited by the partnership opportunity with Charbone to co-develop marine based hydrokinetic projects across N. America. We believe Charbone’s experience and partnerships combined with our infield research will open up the potential for developing local power generating opportunities using the river currents in North America.”* Said Dennis J. Ryan, Sole Member/Manager of ESG Energy Holdings, LLC

### **About Charbone Corporation Hydrogen**

Charbone is a Canadian green hydrogen company established in North America. The company’s strategy consists of developing modular and expandable hydrogen facilities. Through the acquisition of hydropower plants in the United States and in 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 ESG Energy**

ESG is fully engaged in the energy transition process and decarbonization of our planet. ESG is a privately owned renewable energy company that develops utility-scale renewable energy projects in New York, and Florida.

### **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 mutual cooperation, to co-develop and permit riverbed hydrokinetic projects showcasing a newly developed power system to support green hydrogen production and the expected completion of the proposal with ESG as set forth in the MOU. The forward-looking statements reflect Charbone's 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.*

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





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