



CHARBONE HYDROGEN CORPORATION

PRESS RELEASE
For immediate release

CHARBONE HYDROGEN Announces an Amendment to the Agreement for the Acquisition of the three Hydropower Plants in Michigan to align with a Financing

Brossard, Québec, February 28, 2023 – CHARBONE HYDROGEN CORPORATION (TSXV:CH, OTCQB:CHHYF, FWB:K47) (“**Charbone**”) announces that it has amended, on February 27, 2023, certain terms and conditions to the Purchase and Sale Agreement (the “**PSA**”), signed January 17, 2023. The amendment postpones the closing date to allow the lender to complete its due diligence and to submit their final proposed financing terms and conditions to Charbone. The acquisition of Tower Kleber Limited Partnership (“**TKLP**”), a Michigan Limited Partnership and Black River Limited Partnership (“**BRLP**” and collectively with TKLP, the “**Limited Partnerships**”), is now expected to close on or before May 15, 2023, subject to customary closing conditions including the receipt by Charbone of satisfactory financing.

The transaction is between its wholly-owned subsidiary, Charbone Corporation USA (“**Charbone USA**”), and NORTHWOODS HYDROPOWER INC. (“**Northwoods**”), for the acquisition of all of the general partner and limited partner interests of the Limited Partnerships, respectively the owner of the Tower 560 kW, Kleber 1,200 kW and Alverno 1,000 kW operating hydropower plants in the Onaway, Michigan area (the “**Michigan Plants**”).

The Limited Partnerships have the capacity to produce 2,760 kW of hydropower. The Michigan Plants are generating revenues under long-term Power Purchase Agreement for the sale of energy, as well as earning revenues from the sale of capacity and Renewable Energy Credits.

About Charbone

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 Northwoods

Northwoods, Wolf River Hydro Limited Partnership, Tower Kleber Limited Partnership and Black River Limited Partnership are U.S. based businesses, wholly owned by a Canadian family, that have been operating the Michigan and the Wisconsin hydropower plants for over 20 years.





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; 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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