



CHARBONE HYDROGEN CORPORATION

PRESS RELEASE
For immediate release

CHARBONE HYDROGEN Announces the Execution of a Memorandum of Understanding with Port Hawkesbury Paper, LP to Develop and Construct the First Green Hydrogen Production Facility at the Port Hawkesbury Mill Site, Nova Scotia

Brossard, Québec, June 21st, 2022 – CHARBONE HYDROGEN Corporation (TSXV:CH) (“**Charbone**”) is pleased to announce the execution, as of June 20, 2022, of a non-binding memorandum of understanding (the “**MOU**”) between Charbone and Port Hawkesbury Paper, LP (“**PHP**”), pursuant to which the parties are entering into discussions and intend to develop a partnership for the establishment of Charbone’s first small-scale green hydrogen production facility in the Maritimes. The facility is expected to be located on the campus of PHP’s eco-industrial park in Richmond County, on the outskirts of the Town of Port Hawkesbury.

Charbone brings to the table its expertise in the development and construction of modular and scalable facilities for the production of green hydrogen. Charbone is expected to be responsible for sourcing renewable energy through separate discussions with local power producers. It is currently expected that Charbone will be responsible for the sale and distribution of its green hydrogen in the Maritime provinces.

Charbone and PHP’s obligations under the MOU are conditional to the execution of a definitive agreement (the “**Definitive Agreement**”) on or before November 18, 2022. Charbone and PHP further intend to explore and identify the best uses of hydrogen for the assets and benefits of PHP’s eco-industrial park and other potential local projects. Particular attention will be paid to the potential reuse of process water in order to enhance the circularity of the processes.

“Charbone is extremely pleased to develop its first project in the Maritimes with a strong local partner like PHP, which has a strong history of reducing waste and energy requirements and is proactive and supportive of a transformation to renewable energy, which could include green hydrogen for local uses,” said Dave B. Gagnon, Chairman and CEO of Charbone. *“Charbone’s model of small-scale, modular and scalable regional hubs is receiving a lot of attention from the markets where we want to operate, as it is socially acceptable by the local community and the different stakeholders as it provides a solution to the transport and delivery limitations of hydrogen”.*

“PHP is committed to facilitating a transition in Nova Scotia to a diversity of green energy futures. Charbone’s vision and capacity for timely building out small-scale green hydrogen production will bring value to the region and represent another tangible step on that journey; we are excited by the opportunity to further develop this concept,” said Bevan Lock, Mill Co-Manager at PHP.



“We are excited to welcome Charbone Hydrogen to Richmond County! This innovative project is an exciting opportunity for the Strait Area and aligns with our vision of a green energy future for the region,” said Amanda Mombourquette, Warden at the Municipality of the Richmond County.

Mayor Brenda Chisholm-Beaton, from the Town of Port Hawkesbury, said, *“We see significant opportunities for the Town as the transition to green energy progresses and are pleased that Charbone intends to locate in proximity to Port Hawkesbury with their first maritime provinces location”*.

About Charbone Hydrogen Corporation

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 Port Hawkesbury Paper, LP

PHP is a forward-looking natural resources company committed to operating at the highest safety standard while caring for the environment and empowering its people to deliver top-quality products and customer service. The company sees integrity at the core of every relationship and a key principle as it strives for excellence in all it does in an ever-changing world. PHP is a leader in Thermal Mechanical Pulp and Supercalendered paper production in North America. PHP’s approach to business and environmental sustainability creates an economic cornerstone for eastern Nova Scotia.

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 Port Hawkesbury production and distribution facility, the negotiation and completion of the Definitive Agreement between Charbone and PHP and the expected timing of such events. The forward-looking statements reflect Charbone's respective 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. Among the key factors that could cause actual results to differ materially: whether Charbone and PHP are successful in negotiating and entering into the Definitive Agreement and whether the Port Hawkesbury production and distribution facility will be constructed and operational in the anticipated time frame. 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.

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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