



CHARBONE HYDROGEN CORPORATION

PRESS RELEASE
For immediate release

CHARBONE HYDROGEN Announces the Closing of the Acquisition of the Shawano Wisconsin Hydropower Plant

Brossard, Québec, December 15, 2022 – CHARBONE HYDROGEN CORPORATION (TSXV:CH) (“**Charbone**”) is very pleased to announce that it has closed the previously announced transaction and executed the Purchase and Sale Agreement (the “**PSA**”), effective as of December 1st, 2022, 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 Wolf River Hydro Limited Partnership (“**Wolf River**”), the owner of the 700 kW operating hydropower plant in Shawano, Wisconsin. The base purchase price for the acquisition is \$700,000 USD. As a result of the Closing, Charbone has now the benefits of the revenues, since December 1, 2022, generated by Wolf River.

Charbone and Northwoods will continue to negotiate purchase and sale agreements for the Tower Kleber Limited Partnership and the Black River Limited Partnership (collectively, the “**Limited Partnerships**”), with the intention to conclude the acquisition of the Limited Partnerships on or before February 28, 2022, as previously announced. The Limited Partnerships have the capacity to produce 2,760 kW of hydropower. The operating hydropower plants owned by the Limited Partnerships are each located in the Onaway region of Michigan.

The Northwoods management and operation teams have agreed to continue to perform their duties under Charbone’s ownership and will assist Charbone’s engineering team in implementing optimization, modernization, and automation projects at each of the plants. Charbone aims to be one of the first green hydrogen producers in the Midwestern United States.

*“The closing of this transaction is a big step for Charbone as it creates long-term value and recurrent revenues through the existing power purchase agreement with the actual off taker of the energy at the Shawano facility,” said **Dave B. Gagnon, Chairman and CEO of Charbone.** “Within the next few months, Charbone will have its hydro engineering partners review the facility and proposed projects to optimize or modernize and automate the plant so we can increase the energy production and increase revenues or start looking at a regional production hub of green hydrogen in Wisconsin.”*



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. Specifically, this news release includes forward-looking statements regarding Charbone's expected revenues to be generated by the acquisition of the Limited Partnerships, the negotiation and completion of the PSAs between Charbone USA and each of the Limited Partnerships, other statements regarding future product developments, and markets, including with respect to specific indications, and any other statements which are other than statements of historical fact and the expected timing of such events. The forward-looking statements reflect Charbone 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 each respective statement is 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 USA and each of the Limited Partnerships are successful in negotiating and entering the PSAs and the availability of substantial capital in the future to fund its operations. 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.



Contacts

Dave B. Gagnon
Chief Executive Officer and Chairperson of
the Board

CHARBONE Hydrogen Corporation

Telephone: +1 450 678-7171
Email: dg@charbone.com

Daniel Charette
Chief Operating Officer

CHARBONE Hydrogen Corporation

Telephone: +1 514 980-5841
Email: dc@charbone.com

Benoit Veilleux
Chief Financial Officer

CHARBONE Hydrogen Corporation

Telephone: +1 450 678-7171
Email: bv@charbone.com