



CHAR Technologies Acknowledges Canada and Ontario Announce More Than \$11.3M Investment For CHAR Technologies Thorold, Ontario, Renewable Energy Production Facility

Funding will help establish Canada's first renewable natural gas and biocarbon facility to exclusively use woody by-products

TORONTO, Dec. 13, 2022 -- CHAR Technologies Ltd. ("CHAR" or the "Company") (TSX Venture Exchange: YES) is pleased to announce that the governments of Canada and Ontario announced this morning that they are investing more than \$11.3 million to expand CHAR Technologies' facility in Thorold, Ontario, to produce renewable natural gas (RNG) and biocarbon – creating the largest facility of its kind in Canada, and the only RNG facility in the country to exclusively use woody biomass.

Joint funding is being made available through the Natural Resources Canada [Investments in Forest Industry Transformation](#) program and Ontario's [Forest Sector Investment and Innovation Program](#), and will be disbursed in instalments during the course of construction from early 2023 to 2025.

"This new facility will produce clean alternative fuels and increase sustainability in the forest sector through new and emerging uses of renewable forest biomass," said Graydon Smith, Ontario Minister of Natural Resources and Forestry. "Our investment in CHAR Technologies is an investment in Ontario, which will boost productivity, create jobs and support a thriving forest economy that communities throughout the province depend on."

CHAR's global first-in-kind, high temperature pyrolysis (HTP) process converts woody biomass to simultaneously produce two highly profitable green outputs ready for industrial application without generating greenhouse gases. When commercially operational, CHAR's Thorold facility will convert 75,000 tonnes of woody biomass to simultaneously produce 500,000 gigajoules of RNG and 10,000 tonnes of biocarbon per year.

"Thanks to the confidence and support from the governments of Canada and Ontario, CHAR is proud to demonstrate what can be accomplished when industry and governments work together towards a green energy transition," said Andrew White, CEO of CHAR Technologies. "Today represents climate change action, and signifies a major win for Canada's growing bioeconomy as we move towards a Net Zero future in collaboration with Ontario's resilient forestry sector."

By providing alternative fuels, the project will directly reduce Ontario's greenhouse gas emissions by up to 30,000 tonnes each year. Diverting mill by-products from landfill will further avoid and reduce indirect emissions by as much as 30,000 tonnes annually, with a combined effect equivalent to taking 18,000 cars off the road.

QUOTES

The Honourable Victor Fedeli, Ontario Minister of the Economic Development, Job Creation and Trade

"Made-in-Ontario solutions like CHAR Technologies' new technology help to keep Ontario at the forefront of global innovation. Our government is proud to support CHAR Technologies as they bring their innovative technology to market and create good-paying jobs for families in Thorold."

The Honourable Jonathan Wilkinson, Minister of Natural Resources

"Congratulations to CHAR Technologies on the development of a novel facility that will help to reduce emissions while creating jobs for Canadians. This facility will help displace fossil fuel combustion while diverting wood waste from being burned or landfilled. This will reduce carbon and methane emissions while contributing to Canada's ambitious climate goals. The Government of Canada is pleased to support this important work."

The Honourable David Piccini, Ontario Minister of the Environment, Conservation and Parks

"By supporting the production of renewable natural gas and biocarbon, Ontario will continue to be a leader in clean energy technologies. This investment will create jobs, grow the local economy and create a new source of flexible and adaptable renewable natural gas."

The Honourable Filomena Tassi, Federal Economic Development Agency for Southern Ontario

"The Government of Canada is committed to supporting companies that are leading the charge on the development of innovative, clean solutions to help Canadians build a greener future for them and their families. Through investments, like the one today for CHAR Technologies Thorold Inc., we are creating skilled jobs and helping to grow the economy towards a cleaner, greener Canadian economy."

Vance Badawey, Parliamentary Secretary to the Minister of Indigenous Services and Member of Parliament for

Niagara Centre

"Today's \$4.9-million investment is another example of how the Government of Canada is supporting sustainable jobs, innovative technologies and green businesses. This support will help CHAR Technologies Thorold Inc. use wood waste to produce renewable natural gas, reduce greenhouse gas emissions and support the decarbonization of Canadian industry. This investment also exhibits the government's commitment in strengthening the economy in Niagara Centre and its confidence in the Niagara Ports Multimodal Trade Corridor and all of its partners to help achieve expected economic outcomes."

Sam Oosterhoff, Member of Provincial Parliament for Niagara West

"For over a decade, CHAR Technologies has been a North American leader in cleantech development and environmental services. Today's announcement regarding a new renewable forest biomass production facility in Thorold is good news for workers in Niagara, as well as the clean energy and forestry sectors across Ontario."

QUICK FACTS

- The Government of Canada is providing \$4,938,168 for the project through the [Investments in Forest Industry Transformation](#) program and have previously announced \$1,500,000 for the project through the [Federal Economic Development Agency for Southern Ontario Jobs and Growth Fund](#) and;
- The Government of Ontario is providing \$6,438,168 for the project through the [Forest Sector Investment and Innovation Program](#), a business support program designed to improve productivity and innovation, enhance competitiveness, support new market access and strengthen regional economies.
- Combined investment of \$12,876,336.
- The [Forest Biomass Action Plan](#) is a five-year plan that encourages the use of forest biomass resources to secure jobs, support economic development and encourage sustainability in Ontario's forest sector. Forest biomass has many current and emerging uses, including as a source of low-carbon consumer products and renewable energy.
- The forest sector generated \$18 billion in revenue from the sale of manufactured goods and services in 2020 and supported more than 148,000 direct and indirect jobs in 2021.
- Wood produced from Ontario's Crown forests is sustainably sourced and renewable. Wood is a renewable resource, a clean energy source, and a sustainable – and biodegradable – alternative to single-use plastics.

About CHAR Technologies Ltd.

CHAR Technologies Ltd. is a cleantech development and services company, specializing in waste and residual pyrolysis and biocarbon development, custom equipment for water treatment, and providing services in environmental management, site investigation and remediation, engineering, environmental compliance and resource efficiency.

About Thorold Multimodal Hub:

The Thorold Multimodal Hub is a 250-acre multimodal industrial complex in Niagara, adjacent to the Welland Canal. Unique to Niagara, it features marine, rail and highway access, as well as more than 500,000 square feet of indoor warehouse and outdoor storage space, which can be configured to a wide variety of industrial, cargo handling and ancillary operations. The Hub comprises a 155-acre space owned by Bioveld Canada Inc., and additional space owned by Hamilton Oshawa Port Authority Ports.

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