



CHARBONE HYDROGEN CORPORATION

PRESS RELEASE

Charbone Hydrogen Announces 2024 Financial Results

Brossard, Quebec, April 30, 2025 – [CHARBONE HYDROGEN CORPORATION](#) (TSXV: CH; OTCQB: CHHYF; FSE: K47) (the “Company” or “CHARBONE”), North America’s sole publicly traded pure-play company specialized in green hydrogen production and distribution, today announces its financial and operating results for the year ending December 31, 2024, highlighted by a 15% year-over-year revenue increase and critical progress toward commencing green hydrogen production at its Sorel-Tracy facility in 2025.

All necessary permits for the Sorel-Tracy facility have been obtained, and Hydro-Québec, the provincial grid company, is completing interconnection, keeping the project on track for 2025 production.

2024 HIGHLIGHTS:

- Spending decreased 16% to \$2,474,516 in 2024 compared to \$2,961,451 in 2023 (activities refocused and tightening of general and administrative expenses);
- Revenue rose by 15% to \$325,753 in 2024, up from \$282,724 in 2023 (generated from the Wolf River acquisition on December 1, 2022). There is a temporary service reduction at the dam following an equipment failure that will be repaired, but creating an impairment of assets of \$93,528;
- The Company has closed private financings for gross proceeds amounting to \$1,773,538 (\$1,258,297 in 2023), Units for debt settlement of \$352,214 (\$747,228 in 2023) and exercises of warrants/options of \$889,494 (\$nil in 2023);
- The Company made acquisitions of storage hydrogen equipment, upgraded its Sorel-Tracy electrolyzer capacity to 1.75MW and made a deposit on two 2.5MW electrolyzers;
- The Company completed a \$2.1M unsecured convertible notes financing with a 36-month term at a rate of 12% per annum, accrued until maturity or conversion, in which the principal amount is convertible into common shares at a conversion price of the greater of \$0.10 CAD (or USD equivalent) or a price per share representing a discount of 20% per common share; and
- The Company also received an additional \$100,000 in 2024 from Finexcorp secured convertible debentures at a deemed price of \$0.10 and agreed to extend the \$1.2 million CAD 14% (now 12%) secured convertible debentures maturity date that were issued by the Company with better terms.

Charbone’s disciplined financial management, and strategic partnerships position the company to realize its vision of creating a North American green hydrogen network. These advancements underscore its commitment to becoming a leader in the energy transition.



“Management’s efforts to shore up and strengthen our balance sheet have been focused and deliberate,” said Benoit Veilleux, Chief Financial Officer and Corporate Secretary of CHARBONE. “Ongoing talks with strategic partners are advancing well to support and execute CHARBONE’s growth potential with our financial partners and investors.”

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
INCOME		
Hydroelectricity income	\$ 325,753	\$ 282,724
EXPENSES		
General and administrative expenses (Note 15)	2,474,516	2,961,451
Depreciation of property, plant and equipment (Note 5)	171,177	177,289
Depreciation of right-of-use-assets (Note 7)	103,377	76,097
Impairment of assets (Notes 5 and 6)	93,528	69,000
Amortization of intangible assets (Note 6)	23,646	23,299
Loss on asset disposition	104,500	11,588
	<u>2,970,744</u>	<u>3,318,724</u>
OPERATING LOSS BEFORE THE FOLLOWING:	(2,644,991)	(3,036,000)
FINANCIAL EXPENSES (Note 16)	<u>184,483</u>	<u>153,363</u>
NET LOSS BEFORE INCOME TAX	\$ (2,829,474)	\$ (3,189,363)
Current income tax (Note 20)	8,219	6,698
Deferred income tax (Notes 12 and 20)	-	(3,549)
	<u>8,219</u>	<u>3,149</u>
NET LOSS	(2,837,693)	(3,192,512)



AS AT DECEMBER 31, 2024 AND 2023

	2024	2023
OPERATING ACTIVITIES		
Net loss	\$ (2,837,693)	\$ (3,192,512)
Adjustments:		
Depreciation of property, plant and equipment (Note 5)	171,177	177,289
Interest on debentures (Note 16)	338,664	255,807
Depreciation of right-of-use-assets (Note 7)	103,377	76,097
Impairment of assets (Notes 5 and 6)	93,528	69,000
Amortization of intangible assets (Note 6)	23,646	23,299
Interest on lease obligations (Notes 11 and 16)	24,069	17,029
Loss on asset disposition	104,501	11,588
Share based compensation	114,451	5,021
Unrealized loss on foreign exchange (Note 16)	66,558	3,377
Income tax	8,219	-
Fair Value adjustment - embedded derivative (Note 12)	2,848	-
Gain on modification of debenture (Note 12)	(43,020)	-
Gain on settlement of accounts payable (Note 13)	(176,107)	(280,824)
Deferred income tax	-	(3,549)
Changes in non-cash working capital items (Note 21)	442,809	1,324,468
Cash flows used in operating activities	(1,562,973)	(1,513,910)
INVESTING ACTIVITIES		
Changes in advances to key management personnel	-	310,184
Dispositions of property, plant and equipment	155,285	-
Security deposits	(7,336)	51,914
Additions of property, plant and equipment (Note 5)	(235,416)	(121,655)
Cash flows provided by (used in) investing activities	(87,467)	240,443
FINANCING ACTIVITIES		
Proceeds from issuance of units from private placement (Note 13)	1,773,538	1,258,297
Debentures proceeds (Note 12)	100,000	-
Exercise of stock options (Note 13)	22,500	-
Debenture issuance expenses (Note 12)	(3,514)	-
Convertible notes issuance costs (Note 12)	(114,036)	-
Exercise of warrants (Note 13)	866,994	-
Changes in short term loan	(37,520)	306,843
Issuance costs (Notes 13 and 14)	(100,336)	(13,925)
Payment of lease obligation (Note 11)	(217,365)	(150,080)
Interest paid	(203,946)	(38,125)
Cash flows from financing activities	2,086,315	1,363,010
NET CHANGE IN CASH	435,875	89,543
EFFECT OF MOVEMENT IN EXCHANGE RATE ON CASH HELD	(38,259)	(5,953)
CASH (BANK INDEBTEDNESS) AT BEGINNING OF YEAR	55,123	(28,467)
CASH (BANK INDEBTEDNESS) AT END OF YEAR	\$ 452,739	\$ 55,123





About Charbone Hydrogen Corporation

CHARBONE is an integrated green hydrogen company with strategic distribution capabilities of industrial gases across North America. While continuing to develop its modular green hydrogen production network, CHARBONE also leverages commercial partnerships to supply hydrogen, helium, and other industrial gases without the capital-intensive requirements of production facilities. This approach enhances revenue streams, reduces operational risks, and increases market flexibility. CHARBONE remains North America's only publicly traded pure-play green hydrogen company, with shares listed on the TSX Venture Exchange (TSXV: CH), the OTC Markets (OTCQB: CHHYF), and the Frankfurt Stock Exchange (FSE: K47). For more information, visit www.charbone.com.

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.

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