



Big Tree Receives Favourable Assessment Report on Generating Carbon Credits in the Ogoki Crown Forest

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FOR IMMEDIATE RELEASE
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Toronto, Ontario, September 27, 2023 – Big Tree Carbon Inc. (the “**Company**” or “**Big Tree**”) (TSXV:**BIGT**) is pleased to announce that, further to its press release of June 6, 2023, R&B Cormier Inc. (“**Cormier**”) has prepared two reports with an effective date of September 14, 2023 with the first entitled “Assessment for Generating Carbon Credits in Ontario’s Ogoki Crown Forest” (the “**Assessment Report**”) and the second entitled “Opportunities: Green Energy & Non-Timber Forest Products in Ontario’s Ogoki Crown Forest” (the “**Opportunities Report**”). The Assessment Report provides an assessment of carbon sequestration potential of the Ogoki Crown Forest Management Unit for purposes of generating carbon offsets in both compliance and voluntary market scenarios.

Based on the author’s goals of maximizing quality carbon credits and environmental stewardship in the long-term, the Assessment Report provides four possible scenarios for the development of carbon credits whereby the Ogoki Crown Forest Management Unit could generate between \$6.6 million and \$9.4 million per year in revenues based upon 2023 market prices for carbon credits. The Assessment Report recommends the following two scenarios, each taken from a conservative standpoint for estimation and cognizant of existing wood supply agreements:

- 1) Federal (ECCC) draft Improved Forest Management protocol (“IFM”): ~204,000 net Carbon Dioxide Equivalent credits (“**CO₂e**”) /year – Compliance market based upon an estimated selling price of \$45.50/metric tonne (“**MT**”) (being a 30% discount from the current Canadian regulated price on carbon of \$65/MT) for \$9.3 million in revenue less expenses for a net of \$8.5 million per year
- 2) Verra / Verified Carbon Standard (“VCS”) Canadian IFM protocol: ~540,000 net CO₂e credits/year – Voluntary market based on an estimated selling price of \$15.00/MT for \$8.1 million in revenue less expenses for a net of \$7.3 million per year

Big Tree’s wholly-owned subsidiary, Big Tree Carbon Corp., has partnered with Agoke Development Limited Partnership (“**ADLP**”) to develop the carbon credit potential of the Ogoki Crown Forest. ADLP is a limited partnership managed by Agoke Development Corporation (“**ADC**”), the limited partners of which comprise the Aroland First Nation, the Eabametoong First Nation and the Marten Falls First Nation (collectively, the “**ADLP First Nations**”) within whose traditional territories the Ogoki Crown Forest is located. The benefits derived by the ADLP First Nations from the monetization of the carbon credits, net of expenses, will be split as to 75% to ADLP and 25% to Big Tree for a 5-10 year term from the date the first emission reduction benefits available for sale are generated by the project (reference is made to the press release dated November 8, 2021).

The Assessment Report recommends pursuing co-benefit certification of any developed project to ensure that generated Verified Carbon Units (“VCU”) achieve a rigorous “quality” standard which would attract a purchase premium at auction. The Assessment Report has identified forest stands best suited to generation of carbon offsets, delivered project development estimations of costs for registering offsets in both compliance and voluntary market scenarios, and delivered project operation costs and audit/verification costs on an annual basis. The Assessment Report baseline conditions included current

conditions within the Ogoki Crown Forest, including planned harvest blocks and fibre commitments during the 2023-28 plan period.

ADC signed a ground-breaking forestry agreement with the Ministry of Natural Resources and Forestry (MNR&F) to take on forest management of the Ogoki Forest's Sustainable Forestry License (SFL). (See www.agokedevcorp.ca). The Ogoki Forest is one of 42 Crown Forest management units in Ontario, and one of 18 in Northwestern Ontario.

In June 2018, ADC signed a joint venture agreement with the Nakina Sawmill, with the sawmill being a principal consumer of fibre from the Ogoki Forest Management Unit. Big Tree acknowledges that this relationship is very significant to ADC and the partner First Nations, and is reflected in the methodology for the Assessment Report.

Big Tree acknowledges that the Province of Ontario does not have a policy to guide the consideration of carbon offset projects involving Crown resources, nor has it proposed to develop an offset policy in the short term. While this is currently the most significant impairment to realizing the revenue from this project, there are, however, precedents in other provincial jurisdictions in Canada that can represent a win-win for the ADLP First Nations, the Crown, Big Tree and emitters that have need of high-quality carbon offset credits.

Big Tree and the Crown have an obligation under clause 92 of the *Truth and Reconciliation Commission of Canada: Calls to Action* (the “**TRC Report**”) and particularly clause 92.ii. of the TRC Report to ensure “that Aboriginal communities gain long-term sustainable benefits from economic development projects.” Chris Angecone, President and CEO of Big Tree stated: “Big Tree and ADLP will be consulting with the Ontario Government to establish protocols to facilitate this project. This project offers a perfect opportunity to provide the ADLP First Nations with long-term sustainable benefits. With the cooperation of the Ontario Government, the substantial revenue generated from this project could be split equitably between the Crown, ADLP and Big Tree”.

Please note that the project is contingent upon and cannot proceed until agreement is reached with the Government of Ontario

The Assessment Report and the Opportunities Report are available on the Company's website at www.bigtreecarbon.ca.

ABOUT R&B CORMIER INC.

R&B Cormier Inc. is a Natural Resource Contracting and Consulting firm based in Sault Ste. Marie, Ontario, Canada. The Contracting division supplies satellite, radar and airborne imagery, operational field services, and three dimensional land mapping. The Consulting division specializes in wood supply and biomass analysis, including timber and non-timber product research. (See www.rbcormier.com)

ABOUT BIG TREE CARBON INC.

Big Tree Carbon Inc. is an indigenous led publicly-traded natural asset development company based in Ontario, Canada. The Company maintains several legacy mineral exploration properties in Northwestern Ontario as active exploration holdings, including the Ranger Lake, Richardson Lake, and Bridget Lake properties. The Company is currently developing two First Nations forest carbon offset project development partnerships for the Lac Seul First Nation “Lac Seul Community Forest Project” and the Ogoki Forest. Subsidiary corporation Wiigwaasaatig Energy Inc. is a contributor to the Company's

sustainable forest optimization approach, focusing on renewable electrical generation and biofuel processing in partnership with proximal indigenous communities.

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Forward Looking Statement:

Some of the statements contained herein may be forward-looking statements which involve known and unknown risks and uncertainties. Without limitation, statements regarding potential mineralization and resources, exploration results, and future plans and objectives of the Company are forward looking statements that involve various risks. The following are important factors that could cause the Company's actual results to differ materially from those expressed or implied by such forward looking statements: changes in the world-wide price of mineral commodities, general market conditions, risks inherent in mineral exploration, risks associated with development, construction and mining operations, the uncertainty of future profitability and the uncertainty of access to additional capital. There can be no assurance that forward-looking statements will prove to be accurate as actual results and future events may differ materially from those anticipated in such statements. Big Tree undertakes no obligation to update such forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on such forward-looking statements.

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