

**KLIMAT X DEVELOPMENTS INC. (FORMERLY EARL RESOURCES LIMITED)
CLOSES CHANGE OF BUSINESS TRANSACTION**

/NOT FOR DISTRIBUTION TO U.S. NEWS SERVICES OR FOR DISSEMINATION IN THE UNITED STATES/

VANCOUVER, BRITISH COLUMBIA – June 29, 2022 – Klimat X Developments Inc. (formerly Earl Resources Limited) (“**Klimat X**” or the “**Corporation**”) (TSXV: KLX), further to its press releases dated November 26, 2021, February 28, 2022, June 3, 2022 and June 9, 2022, is pleased to announce that it has completed its previously announced “Change of Business” transaction (the “**COB**”), as such term is defined in Policy 5.2 (“**Policy 5.2**”) of the TSX Venture Exchange (the “**TSXV**”).

Summary of Closing and Business

As a result of closing of the COB, Klimat X has acquired: (i) approximately 65% of the shares of Pomeroon Trading (Holdings) Ltd. (“**PTHL**”), a private vertically integrated agriculture company operating in Guyana; (ii) an assignment from Rewilding Maforki Ltd. of 51% of the carbon credits and timber revenues to be generated in connection with its Maforki Project in Sierra Leone; and (iii) an assignment from Compania Mexicana de Captacion de Carbono of all of its rights and interests to develop and market carbon credits under its existing contract with the Government of the State of Yucatan in Mexico. In connection with closing of the COB, Klimat X expects that its listing shall be “reactivated” under the Policies of the TSXV, with its listing transferred from the NEX board of the TSXV (“**NEX**”) to the TSXV, and its common shares (“**Common Shares**”) are expected to resume trading on the TSXV by the end of June 2022 under the stock symbol “**KLX**”.

Klimat X will now carry on the business of developing validated and verified carbon credits from afforestation and reforestation of degraded land areas and marine ecosystems, including mangroves, for sale into international voluntary carbon markets. In contrast to streaming and royalty companies, Klimat X works upstream as a direct owner and operator of projects, addressing a key supply constraint the current market and the rapidly growing demand for carbon credits in global voluntary and regulated markets. The Corporation intends to achieve this by investing in the exploration, restoration and management of terrestrial and marine systems that can either be protected to enhance the sequestration of greenhouse gases or restored from a degraded status to fully productive ecosystems. Klimat X will draw on the experience of a senior executive team and board that provide access into key target jurisdictions through relationships in the mining and natural resources sectors, combined with decades of experience in carbon markets. Klimat X plans to deploy capital at risk under various arrangements (including cooperation, assignment and production sharing agreements) with large land owners and governments in various suitable jurisdictions around the world.

“Obtaining conditional approval from the TSX Venture Exchange and closing on our change of business transaction represents the validation as to our business plan and jurisdictional approach. Climate change is a generational challenge that we intend to meet by mobilizing capital markets on an unprecedented scale. Our corporate clients have set ambitious net zero targets that can only be met through investments in carbon credits that will prevent and reverse the degradation of the planet’s forest and marine ecosystems. Drawing on the experience of our remarkable team, we are prepared for the hurdles when building a company with this level of ambition and impact. We have a clear mission and welcome the support of investors who believe that capital markets can be a force for good: the ESG and Impact Investment mandate is at our core” said Dr. James Tansey, incoming CEO of Klimat X upon the closing of the COB.

Closing Details

In connection with completion of the COB:

- (i) the Corporation changed its name to “Klimat X Developments Inc.”, listing on the TSXV with symbol – “**KLX**”;
- (ii) an aggregate of 20,705,127 subscription receipts of Klimat X (“**Subscription Receipts**”) that were issued in connection with a non-brokered private placement of Subscription Receipts (the “**Concurrent Financing**”) at a price of \$0.45 per Subscription Receipt were automatically exchanged for an aggregate of 20,705,127 Common Shares, being one Common Share for each Subscription Receipt;
- (iii) the gross proceeds of the Concurrent Financing, together with interest earned thereon, in the amount of \$9,31,301 was released to Klimat X to be used to fund the COB, to develop the business of Klimat X and for working capital and general corporate purposes;

- (iv) Klimat X completed its previously announced shares for debt transactions, which settles certain outstanding accounts payable in the aggregate amount of CAD\$153,415 owing to certain consultants of Klimat X through the issuance of 340,922 Common Shares, at a deemed price of CAD\$0.45 per Common Share (the “**Shares for Debt Transaction**”); and
- (v) Dr. James Tansey, Neil Passmore, and Robert Cross have been appointed to Klimat X’s board of directors. Additionally, Dr. James Tansey was appointed as Chief Executive Officer, Chris Colborne was appointed as Chief Financial Officer and Corporate Secretary, Neil Passmore was appointed as the Director of Corporate Development and Kevin Godlington was appointed as the Director of Operations. The directors and officers of the Corporation now include the following:
- Dr. James Tansey—Chief Executive Officer and Board Director
 - Paul Matysek – Executive Chair and Board Director
 - Ford Nicholson – Lead Board Director (Independent)
 - Chris Colborne—Chief Financial Officer, Corporate Secretary and Board Director
 - Neil Passmore—Director of Corporate Development and Board Director
 - Kevin Godlington—Director of Operations
 - Robert Cross— Board Director (Independent)
 - Mischa Zajtmann—Board Director (Independent)

Complete copies of the biographies of the foregoing directors and officers can be found in Klimat X’s press release dated November 26, 2022 and in the filing statement (the “**Filing Statement**”) dated June 8, 2022, outlining the terms of the Proposed COB and providing detailed information respecting Klimat X’s ongoing business and operational plans and expectations. For further details regarding such appointments the COB, please refer to Klimat X’s Filing Statement under Klimat X’s profile on SEDAR at www.sedar.com.

Escrow Matters

After giving effect to the COB, including the conversion of the Subscription Receipts and issuance of Common Shares pursuant to the Shares for Debt Transaction, the Corporation has 86,622,661 Common Shares issued and outstanding. As disclosed in the Filing Statement: (i) 32,255,939 Common Shares held by “Principals” of Klimat X (as defined in TSXV policies) will be held under a TSXV Tier 2 Value escrow agreement; (ii) 1,007,740 Common Shares held by Principals of Klimat X will be held under a TSXV Tier 1 Value escrow agreement; and (iii) 2,682,577 Common Shares held by PTHL shareholders who received Common Shares as consideration for their PTHL shares will be held under a TSXV Tier 2 Value escrow agreement., all in accordance with TSXV policies and with Odyssey Trust Company acting as escrow agent. As a result, 35,946,256 Common Shares (or approximately 42% of the total Common Shares) are currently subject to escrow. In addition, Dr. Tansey, Mr. Neil Passmore, Mr. Ford Nicholson and Mr. Kevin Godlington, be certain key principals of Klimat X, have additionally agreed to enter into a voluntary escrow arrangement for a period of one year whereby all Common Shares held or controlled by them will remain subject to escrow during such time period.

PTHL Valuation

The Corporation is pleased to announce that it has received a formal valuation report prepared by Capital Agri International and Beetle Capital Partners, independent and licensed third parties to the Corporation and PTHL (the “**Valuation Report**”). Due to various factors, including delays in project approvals, longer than anticipated timing of TSXV listing and other general economic and market factors, the initial projected revenues of PTHL have been lower than anticipated. However, the Valuation Report provides for a valuation for the existing business of PTHL materially in excess of the consideration being paid by KlimatX. The value of the ongoing business of Klimat X is significant with a number of regional discussions in respect of nature based carbon projects also now well advanced. The Corporation is excited to work with PTHL in growing its business in line with the overall business strategy of Klimat X.

Early Warning Reporting

In connection with closing of the COB, as consideration, Dr. James Tansey and Mr. Kevin Godlington acquired, directly or indirectly, control or have direction over 9,790,351 and 7,500,000 Common Shares, respectively (the “**Purchased Shares**”). Dr. Tansey acquired 7,250,000 Common Shares at a deemed price of \$0.45 per Common Share and 2,540,531 Common Shares at a price of \$0.035 per Common Share, for an aggregate purchase price of approximately \$3,351,418. All 9,790,351 of the Common Shares acquired by Dr. Tansey were acquired through Canvas Impact Advisor Ltd., an entity controlled by Dr. Tansey. Dr. Tansey now beneficially owns or controls, directly or indirectly, an aggregate of 9,790,351 Common Shares, representing 11.35% of the

Corporation's issued and outstanding Common Shares. Mr. Godlington acquired all 7,500,000 Common Shares at a deemed price of \$0.45 per Common Share, for aggregate purchase price of approximately \$3,375,000. All 7,500,00 of the Common Shares acquired by Mr. Godlington were acquired through Aristeus Projects Limited, an entity controlled by Mr. Godlington. Mr. Godlington now beneficially owns or controls, directly or indirectly, an aggregate of 8,790,351 Common Shares, representing 10.19% of the Corporation's issued and outstanding Common Shares. Dr. Tansey and Mr. Godlington acquired the Purchased Shares for private investment purposes and may, in the future and subject to applicable law, increase or decrease their beneficial ownership or control over securities of the Corporation depending upon a number of factors, including but not limited to general market and economic conditions and other available investment opportunities. Early warning reports filed by Dr. Tansey and Mr. Godlington reflecting the above information regarding the Purchased Shares will be available under Klimat X's profile on SEDAR at www.sedar.com. For further information, or to request a copy of Dr. Tansey or Mr. Godlington's early warning report, please contact the following:

James Tansey
Telephone: +1 604 562 4546

Kevin Godlington
Telephone: +44 7974357914

Additional Information

For further information:

Klimat X Developments Inc.

Christopher Colborne
Suite 390, 1050 Homer Street
Vancouver, British Columbia V6B 2W9
Phone: 1-778-373-3736

Reader Advisory

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Klimat X should be considered highly speculative. The TSXV has in no way passed upon the merits of the COB and has neither approved nor disapproved the contents of this news release.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. Any statements that are contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as "may", "should", "anticipate", "will", "intends" "expects" and similar expressions which are intended to identify forward-looking information or statements. More particularly and without limitation, this press release contains forward looking statements and information concerning the date for the resumption of trading of the Common Shares on the TSXV, the ongoing business of the Corporation, escrow matters, the potential benefits of the Valuation Report and the ability to integrate PTHL into the Corporation's ongoing business, and the anticipated development of carbon credits. Klimat X cautions that all forward-looking statements are inherently uncertain, and that actual performance may be affected by a number of material factors, assumptions and expectations, many of which are beyond the control of Klimat X, including expectations and assumptions concerning the Valuation Report, the ability to integrate and grow the business of Klimat X, the resumption of trading of Common Shares and the timely receipt of all required TSXV, third-party and regulatory approvals and exemptions (as applicable). The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of Klimat X. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement.

The forward-looking statements contained in this press release are made as of the date of this press release, and Klimat X does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by securities law.

THIS PRESS RELEASE, REQUIRED BY APPLICABLE CANADIAN LAWS, IS NOT FOR DISTRIBUTION TO U.S. NEWS SERVICES OR FOR DISSEMINATION IN THE UNITED STATES, AND DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO SELL ANY OF THE SECURITIES DESCRIBED HEREIN IN THE UNITED STATES. THESE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO U.S. PERSONS UNLESS REGISTERED OR EXEMPT THEREFROM.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.