Abaxx Provides Corporate Update and Quarterly Development Activities

This news release constitutes a "designated news release" for the purposes of the Company's prospectus supplement dated April 26, 2023 to its short form base shelf prospectus dated November 4, 2021

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TORONTO, AUGUST 16, 2023 -- **Abaxx Technologies Inc.** (NEO:ABXX)(OTCQX:ABXXF) ("Abaxx" or the "Company"), a financial software and market infrastructure company, majority shareholder of the **Abaxx Commodity Exchange and Clearinghouse ("Abaxx Singapore")**, and producer of the **SmarterMarkets™ Podcast**, summarizes development activities over the past quarter and the general progress of the Company's business plans.

The Company plans to host an investor call and presentation on Thursday, August 17th, with details outlined in this release.

Highlights:

Abaxx Exchange and Clearing Developments Highlights:

- Risk and Regulatory: Concluded public consultation on Exchange and Clearing House rules; ongoing engagement with MAS for ACH and RMO licensing.
- Commercial: Broad interactions with market participants including significant meetings and interactions at The 20th International Conference & Exhibition on Liquefied Natural Gas (LNG2023), where Abaxx Singapore was the sole global exchange and clearing group represented amongst over 400 LNG Traders and 3,000 delegates; selected to present the Abaxx physical futures white paper and suite of LNG benchmark contracts at the upcoming global GasTech conference in Singapore.
- Systems and Operations: Hired a new Chief Technology Officer with global exchange experience and progressed integration of third-party clearing and exchange independent software vendors (ISVs) into production.
- Exchange Product Development: Advanced development of Nickel futures contract; efforts on carbon and precious metals market solutions continue.

- Abaxx Console Apps and ID++ Protocol: Completed upgrade to ID++ V2 core protocol; prototyping tools for carbon markets with improved privacy and accountability (Abaxx Project Venice).

Abaxx Corporate Update Highlights:

- First Revenues from Base Carbon Revenue Royalties: Abaxx Technologies achieved its first revenues from a 2.5% royalty on Base Carbon sales, following the successful issuance and sale of 1,116,221 Verified Carbon Units (VCUs) related to a Vietnam Project's cookstove and water purifier components to the project's offtaker, Citigroup.

- Signing of Strategic Financing Investor: Abaxx Singapore has executed a definitive investment agreement with a global market infrastructure operator to make a cash investment in Abaxx Singapore, subject to closing conditions, as previously announced on August 14, 2023.

- U.S. Listing Application: Abaxx pursing intralisting on Cboe Global Listings to expand capital markets reach and engage global investors, subject to all regulatory requirements, as previously announced on June 2, 2023.

Dear Shareholders,

Abaxx Technologies has made significant progress in its strategic initiatives over the recent months. The Company's efforts have been centered around technological advancements, regulatory engagements, and expanding its market presence, all of which are crucial in addressing global challenges, including the ongoing energy transition and global supply chain investment cycle.

Your continued support and trust are greatly appreciated as Abaxx pursues its outlined objectives.

Abaxx Exchange and Clearing Developments

Risk and Regulatory: Since our last update, the Company concluded its public consultation on the rules and procedures of the Exchange and Clearing House. Engagements with the Monetary Authority of Singapore ("MAS") maintained pace to close off any remaining regulatory review and licensing requirement for the Approved Clearing House (ACH), Approved Holding Company (AHC) and Recognised Market Operator (RMO) licenses. These licensing requirements are still subject to final regulatory approval.

Commercial: Continuing our broad interaction with relevant market participants across all intended product verticals, the Abaxx Commercial team met with over 20 energy-specific Chief Risk Officers at the CCRO Summer Meeting in Boston and had significant meetings and interactions amongst the 3,000 delegates and 400 Senior LNG traders attending the LNG2023 Conference in Vancouver in July. Our engagements also included one-on-one meetings with Futures Clearing firms involved in the upcoming launch of Abaxx Exchange. We are preparing for a busy quarter including our second annual reception during S&P's APPEC event and our first presentation at the global GasTech conference in Singapore which will attract over 40,000 delegates. Chief Commercial Officer, Joe Raia, and Abaxx Singapore President Dan

McElduff will present Abaxx's thesis on the need for physically-settled LNG benchmarks — chosen out of the over seven hundred abstracts submitted.

Systems and Operations: Abaxx Singapore is pleased to announce the addition of a new Chief Technology Officer to its team in anticipation of the upcoming launch. The Chief Technology Officer's extensive experience, obtained from a previous role at a globally recognized exchange, will be an asset to the Company, where they are expected to leverage their background to enhance Abaxx Singapore's technological capabilities, drive innovation and solidify the Company's position in the global market infrastructure landscape.

The Company also progressed integration of third-party clearing and exchange ISVs into production environments.

Exchange Product Development: Abaxx Singapore is finalizing Stage 3 of its nickel-related product development — focused on industry, risk, and regulatory considerations. Contingent on submission and review by the Monetary Authority of Singapore (MAS), Abaxx will seek to include its first battery metals futures contract on the launch slate with LNG and carbon contracts. Abaxx is also progressing work on additional carbon market solutions as the market continues implementing structure around requirements of Article 6 of the Paris Agreement (Article 6). Precious metals solutions remain in Stage 3 of development. The Company's efforts in precious metals are broader than futures market development, and we look forward to sharing more details at the appropriate time.

Abaxx Console Apps and ID++ Protocol: In Q2 2023, our Digital Product and Engineering Teams completed the upgrade of ID++ to "Version 2" (V2) of the core protocol, and commenced prototyping a suite of tools designed to improve privacy and accountability for participants in carbon markets and beyond. ID++ V2 has been re-engineered from its foundational elements to be more resilient, secure, and interoperable than its predecessor. With the completion of the software development kit (SDK), tools built using ID++ V2 core are ready to address enterprise requirements in a complex, networked and evolving landscape with increased utilization of AI and distributed systems.

With the internal code name Project Venice, our team is pairing existing console apps with newly developed tools to prototype an application suite that connects qualified participants looking to transact in carbon credits, under Article 6. We intend to design a secure bridge that connects the enterprise cloud to distributed networks and becomes the workflow operating standard for institutions and governments looking to trade mitigation outcomes. We expect pilot and formalized partnership details to be announced in future updates, along with a newly branded commercial platform of Abaxx console tools.

Abaxx Corporate Update

Abaxx Group Development Company Base Carbon Delivers First Revenues to Abaxx Technologies: In Q2-2023, Abaxx achieved an important corporate milestone by recognizing first revenues on the Company's

2.5% gross revenue royalty on Base Carbon sales, the first group revenue from an organic development project within Abaxx.

In May 2023, Base Carbon Capital Partners Corp. issued 1,020,903 carbon credits, also referred to as verified carbon units ("VCUs"), associated with the cookstove component of a Vietnam Project, in exchange for a contractually agreed payment of $5,870,192 from project off-taker, Citigroup, which generated a royalty payment obligation to Abaxx.

Canadian At-the-Market Equity Program: On April 26, 2023, the Company announced it had established a Canadian at-the-market equity offering program ("the ATM Program" or "ATM") that allows the Company to issue, at its discretion, common shares of the Company having an aggregate offering price of up to $30,000,000 to the public from time to time through the Agent.

Distributions of Common Shares pursuant to the ATM Program, if any, will be made in accordance with the terms of an equity distribution agreement dated April 26, 2023 (the "Equity Distribution Agreement") entered into by the Company and the Agent. The ATM Program will be effective until the earlier of the issuance and sale of all of the Common Shares issuable pursuant to the ATM Program and December 4, 2023, unless terminated earlier in accordance with the terms of the Equity Distribution Agreement. Common Shares issued under the ATM Program will be issued from treasury and distributed directly on the Cboe Canada Exchange, or such other recognized marketplaces to the extent permitted, at prevailing market prices at the time of sale, all in accordance with the terms of the Equity Distribution Agreement. For more information about the ATM Program, please refer to our April 26th Press Release.

Q2 2023 Business Update Investor Call

The Company plans to host a quarterly business update investor presentation, to provide a business update and respond to investor questions.

The Company will hold the investor presentation via Zoom Meetings on Thursday, August 17th at 10:00 a.m. Eastern Standard Time Zone (EST). The Company invites current and prospective shareholders to attend this quarterly business update and Q&A session with the Abaxx executive team. Attendees may email their questions in advance to ir@abaxx.tech.

Registration will be required to access the meeting. Following the presentation, a recording of the session will be made available on the Abaxx Investor Relations website at investors.abaxx.tech.

PRESENTATION DETAILS

DATE Thursday, August 17th, 2023
TIME 10:00 AM Eastern Standard Time (EST)
LOCATION Zoom Meeting

To receive the meeting link and passcode, please register here.

QUESTIONS Please submit questions ahead of the presentation to: ir@abaxx.tech

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About Abaxx Technologies

Abaxx is a development-stage financial software and market infrastructure company creating proprietary technological infrastructure for both global commodity exchanges and digital marketplaces. The Company's formative technology increases transaction velocity, data security, and facilitates improved risk management in the majority-owned Abaxx Commodity Exchange (Abaxx Singapore Pte. Ltd.) - a commodity futures exchange seeking final regulatory approvals as a Recognized Market Operator ("RMO") and Approved Clearing House ("ACH") with the Monetary Authority of Singapore ("MAS"). Abaxx is a founding shareholder in Base Carbon Inc. and the creator and producer of the SmarterMarkets™ podcast.

For more information please visit abaxx.tech, abaxx.exchange and smartermarkets.media.

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Forward-Looking Statements

This News Release includes certain "forward-looking information" (sometimes also referred to as "forward-looking statements") which does not consist of historical facts. Forward-looking information includes estimates and statements that describe Abaxx or the Company's future plans, objectives, or goals, including words to the effect that Abaxx expects a stated condition or result to occur. Forward-looking information may be identified by such terms as "seeking", "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking information is based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although forward-looking information is based on information currently available to Abaxx, Abaxx does not provide *any assurance that actual results will meet management's expectations. Risks, uncertainties, and other factors involved with forward-looking information could cause actual events, results, performance, prospects, and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward-looking information in this news release includes but is not limited to, Abaxx's objectives, goals or future plans, the Company's expectations concerning listing its common shares on a U.S. exchange, statements regarding anticipated financings and expectations regarding the use of proceeds thereof, both current and future, including the size, pricing, terms, and timing of closing thereof, receipt of regulatory approvals and licenses, including the RMO and ACH licenses, timing of the commencement of operations, financial predictions, and estimates of market conditions. Such factors include, among others: risks relating to the global economic climate; dilution; the Company's limited operating history; future capital needs and uncertainty of additional financing, including the Company's ability to utilize the Company's at-the-market equity offering program (the "ATM Program") and the prices at which the Company may sell Common Shares in the ATM Program, as well as capital market conditions in general; the competitive nature of the industry; currency exchange risks; the need for Abaxx to manage its planned growth and expansion; the effects of product development and need for continued technology change; protection of proprietary rights; the effect of government regulation and compliance on Abaxx and the industry; failure to obtain the requisite licenses from the regulatory authorities in a timely fashion or at all, including the RMO and ACH licenses; the ability to list the Company's securities on stock exchanges and receive the necessary approvals therefor in a timely fashion or at all; network security risks; the ability of Abaxx to maintain properly working systems; reliance on key personnel; global economic and financial market deterioration impeding access to capital or increasing the cost of capital; and volatile securities markets impacting security pricing unrelated to operating performance. In addition, particular factors which could impact future results of the business of Abaxx include but are not limited to: operations in foreign jurisdictions; protection of intellectual property rights; contractual risk and third-party risk; clearinghouse risk, malicious actor risks, third-party software license risk, system failure risk, risk of technological change and dependence on technical infrastructure; capital market conditions and share dilution resulting from the ATM Program and from other equity issuances; an inability of Abaxx Tech to raise sufficient funds to complete funding responsibilities in respect of the Abaxx Singapore strategic financing; and restriction on labor and international travel and supply chains. Abaxx has also assumed that no significant events occur outside of Abaxx's normal course of business.*

Abaxx cautions that the foregoing list of material factors is not exhaustive. In addition, although Abaxx has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, or intended. When relying on Abaxx's forward-looking information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Abaxx has assumed that the material factors referred to in the previous paragraph will not cause such forward-looking information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. The forward-looking information contained in this press release represents the expectations of Abaxx as of the date of this press release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date.

Abaxx does not undertake to update this information at any particular time except as required in accordance with applicable laws. CBOE Canada does not accept responsibility for the adequacy or accuracy of this press release.