



Xebec Announces Closing of \$11.6 Million Bought Deal Public Offering of Units and Listing of Warrants

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MONTREAL, July 04, 2019 -- Xebec Adsorption Inc. ("Xebec" or the "Corporation") (TSXV:XBC) is pleased to announce it has closed its previously announced bought deal offering, including the exercise in full of the Underwriters' over-allotment option. A total of 8,280,000 units of Xebec (the "Units") were sold at a price of \$1.40 per Unit for aggregate gross proceeds of \$11,592,000 (the "Offering"). The Offering was conducted by a syndicate of underwriters led by Desjardins Capital Markets and including Beacon Securities Ltd., Paradigm Capital Inc., Canaccord Genuity Corp. and M Partners Inc. (together, the "Underwriters"). The net proceeds of the Offering will be used to, among other things and as more fully described in the short form prospectus relating to the Offering, develop and invest in new Renewable Natural Gas (RNG) projects, to expand the Corporation's monitoring and service capabilities through selective acquisitions and for general corporate purposes.

Each Unit is composed of one common share in the capital of the Corporation (a "Common Share") and one common share purchase warrant (a "Warrant"). Each Warrant is exercisable to acquire one additional Common Share (a "Warrant Share") for a period of 12 months from the closing date of the Offering at an exercise price of \$1.85 per Warrant Share.

In connection with the Offering, the Corporation paid the Underwriters a cash commission equal to 6% of the gross proceeds of the Offering, and compensation options (the "Compensation Options") equal to 6% of the Units issued pursuant to the Offering. Each Compensation Option will entitle the Underwriters to purchase a Unit at an exercise price of \$1.40 for a period of 12 months from the closing date of the Offering.

The Units were offered by way of short form prospectus in all of the provinces of Canada. Copies of the final short form prospectus and documents incorporated therein may be obtained by sending a written request to the Secretary of the Corporation at 730, Industriel Blvd., Blainville, Québec, Canada, J7C 3V4, telephone: (450) 979-8700, and are available electronically under the Corporation's issuer profile on SEDAR at www.sedar.com.

The TSX Venture Exchange (the "TSXV") has conditionally approved the listing of the Common Shares and Warrants underlying the Units and the Common Shares underlying the Warrants, subject to fulfilling all of the requirements of the TSXV. The Warrants will be trading under the symbol "XBC.WT". Trading of all such securities is expected to commence on July 4, 2019.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and applicable U.S. state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements thereunder.

About Xebec Adsorption Inc.

Xebec Adsorption Inc. is a global provider of gas generation, purification and filtration solutions for the industrial, energy and renewables marketplace. Its customers range from small to multi-national corporations and governments looking to reduce their carbon footprints. Headquartered in Montreal (QC), Xebec designs, engineers and manufactures innovative and transformative products, and has more than 1,500 customers worldwide. With two manufacturing facilities in Montreal and Shanghai, as well as a sales and distribution network in North America, Europe, and Asia, Xebec trades on the TSX Venture Exchange under the symbol XBC. For additional information on the Corporation, its products and services, visit Xebec at xebecinc.com.

Cautionary Statement

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accept responsibility for the adequacy or accuracy of this release. This news release contains forward-looking statements and forward-looking information (together, "forward-looking statements") within the meaning of applicable securities laws. All statements, other than statements of historical facts, are forward-looking statements and subject to risks and uncertainties. Generally, forward-looking statements can be identified by the use of terminology such as "plans", "seeks", "expects", "estimates", "intends", "anticipates", "believes", "could", "might", "likely" or variations of such words, or statements that certain actions, events or results "may", "will", "could", "would", "might", "will be taken", "occur", "be achieved" or other similar expressions. Forward-looking statements, including statements concerning the use of proceeds of the Offering, future

capital expenditures, revenues, expenses, earnings, economic performance, indebtedness, financial condition, losses and future prospects as well as the expectations of management of Xebec with respect to information regarding the business and the expansion and growth of Xebec operations, involve risks, uncertainties and other factors that could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements are subject to business and economic factors and uncertainties, and other factors that could cause actual results to differ materially from these forward-looking statements, including the relevant assumptions and risks factors set out in Xebec's public documents, including in the most recent annual management discussion and analysis and annual information form, filed on SEDAR at www.sedar.com. Furthermore, should one or more of the risks, uncertainties or other factors materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements or information. These risks, uncertainties and other factors include, among others, the uncertain and unpredictable condition of the global economy, Xebec's capacity to generate revenue growth, a limited number of customers, and other factors. Although Xebec believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed times frames or at all. Except where required by applicable law, Xebec disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

For more information:

Xebec Adsorption Inc.

Sandi Murphy

Director, Investor Relations and Marketing

+1 450.979.8718 smurphy@xebecinc.com

Kurt Sorschak

President and Chief Executive Officer

ksorschak@xebecinc.com