

Xebec Announces BGX Biostream™ Orders from Brightmark and Chevron Renewable Natural Gas Partnership

- Biostream is the leading biogas upgrading solution for U.S. dairy RNG projects -

MONTREAL, (QC), October 6, 2021 – Xebec Adsorption Inc. (TSX: XBC) (“Xebec”), a global provider of clean energy solutions, is pleased to announce today that it has signed the first set of task orders under the previously announced Master Service Agreement (“MSA”) for an initial 18 BGX-Biostream™ (“Biostream”) units with Brightmark RNG Holdings LLC. Brightmark RNG Holdings LLC is a joint venture between Brightmark and Chevron U.S.A. Inc., a subsidiary of Chevron Corporation (NYSE: CVX), to own project companies across the United States to produce and market dairy biomethane, a renewable natural gas (RNG).

These first task orders represent the single largest Biostream unit commitment Xebec has received to date and validates the product’s leading value proposition from a top U.S. dairy RNG developer. Biostream’s containerized and modular design makes it a one-of-its-kind offering for the North American agriculture industry as farmers look to maximize revenue and gain peace of mind with the support of Xebec’s local Cleantech Service Network. The 18 units are expected to be deployed across 10 dairy RNG projects in Iowa, Wisconsin, Michigan and South Dakota.

“Alongside our partners at Chevron, Brightmark plans to increase our RNG production ten-fold over the next four years,” said Bob Powell, CEO & Founder of Brightmark. “As the most carbon negative fuel on a lifecycle basis available on the market today, RNG is an essential tool in our global efforts to combat climate change, and to do that, we have to establish strong partnerships with companies like Xebec that share our vision for this sector’s tremendous advancement opportunities.”

“We are excited to be the biogas upgrading technology provider to such a high-profile partnership within the RNG industry,” stated Kurt Sorschak, Chairman, CEO and President of Xebec Adsorption Inc. “Dairy-based RNG continues to be an important vertical because of its ability to reduce emissions from agriculture, support local communities and recycle nutrients. In addition, dairy-based RNG has the potential to generate higher returns compared to other renewable gas projects such as landfills, wastewater treatment plants and source-separated organics facilities.”

Dairy farms are leading livestock based RNG production in the U.S.

According to the EPA AgSTAR project database, as of May 2021, there are 333 operational and under construction digester projects that accept livestock manure. The majority (approximately 82%) of the manure-based digester projects are at dairy farms, and the rest are at swine or poultry farms. Of the 333 biogas projects, approximately 98 of them are producing RNG for the CNG transportation market.

Biostream is positioned to capture the U.S. animal manure RNG market

According to the American Biogas Council, it is estimated that 8,574 dairy, poultry, and swine farms are primed for biogas and renewable natural gas production. Biostream is estimated to cover more than 80% of these animal manure use cases with multiple standardized configurations which range in capacity between 55 to 840 SCFM (90 to 1350 NCMH).

Leading decentralized hydrogen production technology ideal for RNG-based green hydrogen

With over 80 on-site hydrogen generation units deployed worldwide, Xebec is well positioned to deploy on-site steam methane reforming (SMR) units to produce green hydrogen in a decentralized manner. The flow rates found in dairy farms are within an ideal operating range for Xebec's Hy.GEN systems, which have proven to be a lower cost and more efficient process than electrolyser-based hydrogen. Xebec believes both containerized solutions of Hy.GEN and Biostream offer a compelling product offering for customers looking to take advantage of the entire renewable gas value chain.

Related links:

<https://www.xebecinc.com>

<https://www.brightmark.com/2021/08/chevron-partnership-expansion/>

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About Brightmark

Brightmark is a global waste solutions company with a mission to reimagine waste. The company takes a holistic, closed loop, circular economy approach to tackling the planet's most pressing environmental challenges with imagination and optimism for the future. Through the deployment of disruptive, breakthrough waste-to-energy solutions focused on plastics renewal (plastic waste-to-fuel) and renewable natural gas (organic waste-to-fuel), Brightmark enables programs specifically tailored to environmental needs in order to build scalable project solutions that have a positive impact on the world and communities in which its stakeholders live and work. For more information, visit www.brightmark.com.

About Xebec Adsorption Inc.

Xebec is a global provider of clean energy solutions for renewable and low carbon gases used in energy, mobility and industrial applications. The company specializes in deploying a portfolio of proprietary technologies for the distributed production of hydrogen, renewable natural gas, oxygen and nitrogen. By focusing on environmentally responsible gas generation, Xebec has helped thousands of customers around the world reduce their carbon footprints and operating costs. Headquartered in Québec, Canada, Xebec has a worldwide presence with seven manufacturing facilities, ten Cleantech Service Centers and five sales offices spanning over four continents. Xebec trades on the Toronto Stock Exchange under the symbol (TSX: XBC). For more information, xebecinc.com.

Cautionary Statement

This press release contains forward-looking statements within the meaning of applicable Canadian securities law. These statements relate to future events or future performance and reflect the expectation of Management regarding the growth, results of operations, performance and business prospects and opportunities of the Corporation or its industry. Forward-looking statements typically contain words such as "believes", "expects", "anticipates", "continues", "could", "indicates", "plans", "will", "intends", "may", "projects", "schedules", "would" or similar expressions suggesting future outcomes or events, although not all forward-looking statements contain these identifying words. Examples of such statements include, but are not limited to, statements concerning: (i) Brightmark and Chevron's targeted ten-fold increase in RNG volumes by 2025; and (ii) adoption of Xebec's SMR based technology for green hydrogen production from RNG as noted in this press release.

These statements are neither promises nor guarantees but involve known and unknown risks and uncertainties that may cause the Company's actual results, level of activity or performance to be materially different from any future results, levels of activity or performance expressed in or implied by these forward-looking statements. These risks include, generally, risks related to the ability of the Corporation to execute its strategy, operating results, purchasing third party supplies for key materials and components in a timely and cost effective basis, industry and products, technology, competition, ability to attract and retain qualified personnel, ability to manage successfully the anticipated expansion of our operations, the economy, the sufficiency of insurance and other factors which are discussed in greater details in the most recent quarterly management discussion and analysis ("MD&A") and in the Annual Information Form of the Corporation filed on SEDAR at www.sedar.com.

Forward-looking statements contained herein are based on a number of assumptions believed by the Corporation to be reasonable as at the date of this press release, including, without limitations, assumptions about trends in certain market segments, the economic climate generally, the pace and outcome of technological development, the identity and expected actions of competitors and customers, the value of the Canadian dollar and of foreign currency fluctuations, interest rates, the anticipated margins under new contracts awards, the state of the Corporation's current backlog, the regulatory environment, and the

procurement of key material and components of products. If these assumptions prove to be inaccurate, the Corporation's actual results may differ materially from those expressed or implied in the forward-looking statements. The forward-looking statements contained herein are made as of the date of this press release and are expressly qualified in their entirety by this cautionary statement. Except to the extent required by law, the Company undertakes no obligation to publicly update or revise any forward-looking statements contained herein. Readers should not place undue reliance on forward looking statements.

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