# Xebec Announces MOU for CO2 Capture and Sequestration Equipment with Summit Carbon Solutions

***- MOU to supply large-scale $CO_2$ compression equipment for world's largest carbon capture and storage project -***

**MONTREAL, (QC), March 28, 2022 – Xebec Adsorption Inc. (TSX: XBC)** ("Xebec"), a global provider of sustainable gas technologies, is pleased to announce today that it has signed a Memorandum of Understanding ("MOU") with Iowa-based SCS Carbon Removal LLC, a subsidiary of Summit Carbon Solutions. The MOU supports the negotiation of an order in excess of USD$100 million (CAD$126 million) for 51 carbon dioxide ($CO_2$) reciprocating compression packages to be completed by the end of Q3 2023. This equipment will be used for Summit Carbon Solutions' proposed carbon capture and sequestration project, which will be the largest in the world if approved. The MOU is an expression of interest and there is no certainty that the negotiations will lead to a final binding order. This agreement showcases both Xebec's expanding technology portfolio for carbon capture and sequestration, as well as the rapidly expanding customer base for Xebec's sustainable gas technologies.

The equipment will be manufactured at Xebec Systems USA's (formerly UECompression, or UEC) Colorado facility. Xebec is also working closely with the customer and major suppliers to manage cash flows and supply chain risks associated with the project.

"Summit Carbon Solutions is pleased to partner with Xebec as we continue to advance our carbon capture and storage project that will open new economic opportunities for ethanol producers and maintain a strong marketplace for corn growers," said James Powell, COO of Summit Carbon Solutions. "Xebec shares our commitment both to safety and to utilizing innovation to decarbonize critical industries like ethanol production."

"Xebec is delighted to be involved as a key supplier to Summit Carbon Solutions' project, which aims to make a material impact in $CO_2$ emissions reductions in the Midwest for agriculture and industry," stated Jim Vounassis, President and CEO of Xebec Adsorption Inc. "Our U.S. manufacturing capabilities and carbon capture activities are seeing increasing demand, and we are excited to be involved as a long-term partner with Summit Carbon Solutions. As the world aims to decarbonize, we expect the need for carbon capture and sequestration solutions to accelerate, and Xebec is well positioned to provide CO2 purification, capture, liquefaction, and compression technologies," he added.

**Xebec expands compression expertise into CO2 capture and sequestration with the transformative Midwest Carbon Express project**

To date, Xebec has demonstrated its compression leadership in renewable natural gas (“RNG”), hydrogen and industrial gases through its subsidiaries Applied Compression Systems (ACS), Xebec Systems USA, and HyGear. Xebec’s compression equipment is typically needed to process sustainable gases to achieve desired operating parameters. For example, Xebec’s compression equipment has been deployed in landfills, at dairy farms for virtual RNG transport, hydrogen production and processing, refueling stations, on-site hydrogen supply and other industrial gas applications. The MOU announced today provides meaningful exposure to $CO_2$ capture and sequestration through Midwest Carbon Express.

Summit Carbon Solutions’ carbon capture and storage project is a USD4.5 billion $CO_2$ capture, pipeline, and sequestration infrastructure project which includes $CO_2$ capture facilities from ethanol plants and industry, associated pipelines and pump stations in Iowa, Nebraska, South Dakota, Minnesota, and North Dakota, as well as Class VI sequestration wells in North Dakota. The project is expected to be the largest $CO_2$ sequestration project in the world when commissioned with a 12 million tons of $CO_2$ per year capacity, equivalent to removing 2.6 million vehicles from our roads annually.

**Xebec to Host Live Investor Webinar for First Investor Day in Colorado**

An investor webinar will be held tomorrow on Tuesday, March 29, 2022, at 11:00 AM MDT (1:00 PM EDT) for Xebec’s first investor day. The event will showcase the company’s worldwide capabilities, disruptive clean technologies for sustainable gases, and the multi-year strategic plan to enable the successful execution of its many growth opportunities.

Register here: https://app.livestorm.co/xebec-adsorption-inc/2022-investor-day

**Related links:**
https://www.summitcarbonsolutions.com/
https://www.xebecinc.com

**Investor Relations:**
Xebec Adsorption Inc.
Brandon Chow, Director, Investor Relations
bchow@xebecinc.com
+1 450.979.8700 ext. 5762

## About Summit Carbon Solutions

Summit Carbon Solutions seeks to lower greenhouse gas emissions by connecting industrial facilities via strategic infrastructure to store carbon dioxide safely and permanently in the Midwestern United States. For more information, visit: www.SummitCarbonSolutions.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 nine manufacturing facilities, seventeen Cleantech Service Centers and four 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) the certainty of an order for 51 CO2 compression package being place; (ii) the completion of the order by the end of Q3 2023; (iii) the value of the order; (iv) that the whole project will be commissioned; and (v) the carbon sequestration capacity 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 ana 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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