For Immediate Distribution

Xebec Obtains Creditor Protection under the CCAA to Pursue Restructuring and Commence Court-Approved Sale and Investment Solicitation Process

MONTRÉAL, QC, September 29, 2022 – Xebec Adsorption Inc. (TSX: XBC) ("**Xebec**" or the "**Corporation**"), a global provider of sustainable gas solutions, announced today that the Superior Court of Québec (the "**Court**") has granted the Corporation's application for an initial order (the "**Initial Order**") under the *Companies' Creditors Arrangement Act* (the "**CCAA**"). Xebec intends to seek recognition of the Initial Order and the SISP Order (as defined below) in the United States under Chapter 15 of the Bankruptcy Code.

Pursuant to the Initial Order, the Corporation and its Canadian and U.S. wholly owned subsidiaries have obtained protection under the CCAA and Deloitte Restructuring Inc. has been appointed as monitor (the "**Monitor**") and will assist Xebec in its restructuring efforts.

The Court has also issued an order (the "**SISP Order**") authorizing the Corporation to conduct a sale and investment solicitation process (the "**SISP**") with the assistance of National Bank Financial Inc. ("**NBF"**), as financial advisor, and the Monitor, in accordance with the terms therein (the "**Bidding Procedures**"). The SISP is intended to solicit interest in, and opportunities for, a sale of, or investment in, all or part of the assets and business segments of the Corporation and its subsidiaries, with the goal of maximizing value for the Corporation and its stakeholders.

In order to participate in the SISP and obtain a copy of the confidential information memorandum and access to a virtual data room, all interested parties must comply with the terms and conditions set forth in the Bidding Procedures, a copy of which is available on the Monitor's website at https://www.insolvencies.deloitte.ca/Xebec. Parties interested in participating in the SISP should contact NBF at XebecSISP@bnc.ca or the Monitor at xebec_ccaa@deloitte.ca.

The deadline for submission of non-binding letters of intent is **5:00 p.m. (Eastern Time) on November 11, 2022** and the deadline for submission of binding bids is **5:00 p.m. (Eastern Time) on January 6, 2023.**

Earlier today, the Toronto Stock Exchange ("**TSX**") suspended trading of Xebec's common shares and the TSX has put the Corporation under delisting review under its expedited review process. The TSX has advised the Corporation that a meeting has been scheduled for October 12, 2022 to consider whether or not to delist the securities of the Corporation.

Xebec will provide further updates as developments warrant. A copy of the Initial Order and other information regarding the CCAA proceedings will be available on the Monitor's website at https://www.insolvencies.deloitte.ca/Xebec. Information regarding CCAA proceedings can also be obtained by calling the Monitor's hotline at 514-393-6722 or by email at xebec_ccaa@deloitte.ca.

Xebec's legal advisors in connection with the CCAA and Chapter 15 proceedings and SISP are Osler, Hoskin & Harcourt LLP and McDonald Hopkins LLC. The Corporation's financial advisor is National Bank Financial Inc.

Related link:
https://www.xebecinc.com

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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. For more information, xebecinc.com.

Cautionary Statement
All statements, other than statements of historical fact, contained in this press release constitute "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of applicable securities laws and are based on expectations and projections as of the date of this press release. 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.

Forward-looking statements contained in this press release include, without limitation, those related to (i) the CCAA proceedings and the operations of the Corporation, (ii) the Corporation's ability to maximize value for the Corporation and its stakeholders, and (iii) the review by the TSX regarding the suitability of the Corporation for listing on the TSX.

These statements are neither promises nor guarantees but involve known and unknown risks and uncertainties that may cause Xebec'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, including the ability for the Corporation to obtain financing during and following the CCAA process, general economic conditions and other risks other factors which are discussed in greater details in the Corporation's Management's Discussion and Analysis for the period ended June 30, 2022, the Corporation's Annual Information Form as well as other filings made by the Corporation which are available under the Corporation's profile on SEDAR at www.sedar.com. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Corporation as of the time of such statements, are inherently subject to significant business, economic and *competitive uncertainties and contingencies. These estimates and assumptions may prove to be incorrect. In addition, there is no assurance that there will be any residual value for shareholders under the CCAA process.*

If these assumptions prove to be inaccurate, Xebec's actual results may differ materially from those expressed or implied in the forward-looking statements. In addition, there can be no assurance that the CCAA proceedings will result in the maximization of the return in respect of the Corporation's assets and those of its subsidiaries.

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, Xebec undertakes no obligation to publicly update or revise any forward-looking statements contained herein. Readers should not place undue reliance on forward-looking statements.