Base Carbon Reports First-Quarter 2024 Operating and Financial Results

May 15, 2024 – Toronto, Ontario – Base Carbon Inc. (Cboe CA: BCBN) (OTCQX: BCBNF) with operations through its wholly-owned subsidiary, Base Carbon Capital Partners Corp. ("**BCCPC**", together, with affiliates, "**Base Carbon**", or the "**Company**"), is pleased to announce its first-quarter 2024 consolidated financial results and operational highlights. All financial references are denominated in U.S. dollars, unless otherwise noted.

Company Highlights for the Three Months Ended March 31, 2024:

- **Rwanda cookstoves project successfully transitioned to the carbon credit generation stage following the first issuance of 717,558 correspondingly adjusted carbon credits, each labeled with Verra's "Article 6 Authorized" designation.**
- **Subsequent to quarter-end, approximately $12.5 million payment received from Vietnam project offtaker following delivery of carbon credits associated with the project's credit issuance.**
- **Updated accounting valuation for the Rwanda cookstove project using a discounted cashflow methodology and resulting in an unrealized accounting gain of $19.8 million in the quarter.**
- **As of March 31, 2024, the Company had total assets of $121.1 million, including $0.7 million in cash and cash equivalents, and $118.3 million in investments in carbon credit projects.**

Financial Highlights:

(in thousands of United States Dollars)	**Three months ended**	**Three months ended**
	March 31, 2024	**March 31, 2023**
Unrealized loss on investments in carbon credit projects	**$(18,881)**	$ -
Total operating expenses	**(1,762)**	(1,289)
Operating loss for the period	**(20,643)**	(1,289)
Income tax recovery	**1,038**	-
Net loss for the period	**(19,838)**	(1,100)
Basic loss per share	**(0.17)**	(0.01)
Diluted loss per share	**$ (0.17)**	$ (0.01)

(in thousands of United States Dollars)	**March 31, 2024**	**December 31, 2023**
Cash and Cash Equivalents	**$ 667**	$ 1,401
Current investment in carbon credit projects	**36,703**	34,813
Non-current investment in carbon credit projects	**81,636**	102,273
Total assets	**$121,062**	$141,243

Vietnam Household Devices Project Update

In April 2024, the Company, through BCCPC, received aggregate payment of approximately US$12.5 million from Vietnam project offtaker for the delivery of credits associated with the project's most recent carbon credit issuance.

Following the latest adoption of current market-based methodological standards for the Vietnam household devices project, the project is now expected to generate approximately 33 million carbon credits over the life-of-project, inclusive of the initial 7.4 million carbon credits contracted under a fixed price offtake arrangement. The reduction in anticipated carbon credits has led to an unrealized accounting loss of $38.6 million in the quarter, for an overall project value of $85.4 million as of March 31, 2024. The adoption and associated changes have no impact on the fixed price offtake agreement.

BCCPC has deployed 95% of the committed project capital with the remaining commitments primarily tied to project monitoring and verification activities, which are anticipated to be fully deployed in regular intervals by year-end 2024.

Rwanda Cookstoves Project Update

In April 2024, the Company received its first carbon credits generated from the Rwanda cookstoves project when project developer the DelAgua Group transferred 717,558 correspondingly adjusted carbon credits to BCCPC, each designated by Verra with an Article 6 Authorized label. This milestone marked the project's successful transition to the carbon credit generation stage, with regular future issuances expected at semi-annual intervals, resulting in an updated accounting valuation using a discounted cashflow methodology.

The Company is currently evaluating all sales options with respect to the initial 717,558 carbon credits and believes that the potential pricing upside of correspondingly adjusted carbon credits will significantly offset any volume reductions pursuant to the implementation of the Letter of Authorization with Government of Rwanda detailed in the Company's press release on April 8, 2024.

India Afforestation, Reforestation, and Revegetation (ARR) Project Update

The Company, through BCCPC, executed a project agreement with Value Network Ventures Advisory Services Pte Ltd. to fund an expected $13.6 million related to the reforestation of degraded rural farmlands in the northern Indian state of Uttar Pradesh. The project's aim is to facilitate the planting of approximately 6.5 million trees, from which it is expected 1.6 million high-quality nature-based removal carbon credits will be generated over an expected 20-year project life.

As of March 31, 2024, Base Carbon has funded 32% of the committed project capital with approximately

79% of the planned 6.5 million trees planted to date with the remaining trees expected to be planted within 2024.

About Base Carbon

Base Carbon is a financier of projects involved primarily in the global voluntary carbon markets. We endeavor to be the preferred carbon project partner in providing capital and management resources to carbon removal and abatement projects globally and, where appropriate, will utilize technologies within the evolving environmental industries to enhance efficiencies, commercial credibility, and trading transparency. For more information, please visit www.basecarbon.com.

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Cautionary Statement Regarding Forward Looking Information

This press release contains "forward-looking information" within the meaning of applicable securities laws relating to the focus of Base Carbon's business, the expected issuance, and timing, of carbon credits, the application of Article 6 of the Paris Agreement and the "Article 6 Authorized Label" and market reaction thereto, the receipt of proceeds from the disposition of carbon credits, and project registration and the continued development, including the planting of trees, of the India afforestation, reforestation, and revegetation project. In some cases, but not necessarily in all cases, forward-looking information may be identified by the use of forward-looking terminology such as "expects", "anticipates", "intends", "contemplates", "believes", "projects", "plans" or variations of such words and similar expressions or state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved". In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events. These statements should not be read as guarantees of future performance, results, or achievements.

Although management believes that the anticipated future results, performance or achievements expressed or implied by the forward-looking information are based upon reasonable assumptions and expectations, readers should not place undue reliance on forward-looking information because it involves assumptions, known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking information.

In respect of the Rwanda cookstoves project and the Vietnam household devices project, certain factors that influence the commercial success of such projects and successfully meeting the milestones related to such projects, including the timing and number of expected carbon credits, include among other things: (i) *the Company has retained industry leading experts/consultants/advisors to assist with the evaluation, planning, negotiation and execution of such projects, (ii) the work product, including monitoring reports, of each project's validation and verification Body, (iii) project costs and carbon credit market prices, (iv) the verification of ongoing project monitoring reports and issuance of carbon credits by Verra, (v) changes to laws and regulation in applicable jurisdictions, and (vi) the Company has sufficient funds on hand to make carbon credit purchase price payments.*

In respect of the Rwanda cookstoves project and the Vietnam household devices project, certain assumptions that influence the commercial success of such projects, including the timing and number of expected carbon credits, include among other things: (i) distributed cookstoves and water purifiers perform to specification when used and participating households use the devices as contemplated by project estimates, (ii) the Company's in-country project partners, being the DelAgua Group in the case of the Rwanda cookstoves project and SIPCO and the project offtaker in the case of the Vietnam household devices project, perform their obligations in connection with the development and operation of the projects, , and (iii) continued participant involvement and public support of the voluntary carbon market.

In respect of the India afforestation, reforestation, and revegetation project, certain factors that influence the commercial success of the project include, among other things: (i) the Company's expertise with respect to the evaluation, planning and negotiation of the project, (ii) the conduct of the Project counterparties, including cooperation with local small-land owners, (iii) project costs and carbon credit market prices, (iv) ongoing project monitoring and issuance of carbon credits by Verra, (v) changes to laws and regulation in the Republic of India, and (vi) extreme weather event and natural disasters.

In respect of the India afforestation, reforestation, and revegetation project, certain assumptions that influence the commercial success of the project include, among other things: (i) the development the project remains in line with anticipated timelines and costs, (ii) project counterparties, including project partner Value Network Ventures Advisory Services Pte Ltd., its subcontractors and local small-land owners, perform their contractual and/or standard operating procedures, (iii) the successful planting and survival of trees, (iv) the growth rates of trees are consistent with the expectations under the project which is then reflected by monitor reports accepted by Verra, (v) the Company has sufficient funds to satisfy its capital commitments, and (vi) continued participant involvement and public support of the voluntary carbon market.

The forward-looking statements made herein are subject to a variety of risk factors and uncertainties, many of which are beyond the Company's control, which could cause actual events or results to differ materially and adversely from those reflected in the forward-looking statements. Readers are cautioned that forward-looking statements are not guarantees of future performance. Specific reference is made to the management discussion and analysis for the Company's fiscal year ended December 31, 2023 and the most recent Annual Information Form on file with the Canadian provincial securities regulatory authorities (and available on www.sedarplus.ca) for a more detailed discussion of some of the factors underlying forward-looking statements and the risks that may affect the Company's ability to achieve the expectations set forth in the forward-looking statements contained in this press release.

Should one or more of the risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual events or results may vary materially and adversely from those described in the forward-looking information. The forward-looking information contained in this press release is provided as of the date of this press release, and the Company expressly disclaims any obligation to update or alter statements containing any forward-looking information, or the factors or assumptions underlying them, *whether as a result of new information, future events or otherwise, except as required by law.*