



Base Carbon Reports Second-Quarter 2025 Operating and Financial Results

August 13, 2025 – 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 second-quarter 2025 consolidated financial results and operational highlights. The Company will host an investor town hall in September, with details to follow over the coming weeks. All financial references are denominated in U.S. dollars, unless otherwise noted.

Company Highlights:

- 5th consecutive quarter of carbon credit sales revenue with net cash proceeds of \$1.0 million from Vietnam cookstove carbon credit monetization.
- Subsequent to quarter end, the Company received into inventory 192,810 carbon credits from the Rwanda cookstoves project, increasing inventory by 11.2% to the current balance of 1,905,003 Article 6 Authorized labelled carbon credits.
- Subsequent to quarter end, a further 371,272 carbon credits were issued to local project partner, the DelAgua Group, which will be subject to the revenue sharing arrangement with the Company.
- In May 2025, the DelAgua Group submitted a requantification request to Verra for the Rwanda cookstoves project which, upon approval, would requantify all carbon credits issued by the Rwanda cookstoves project (including current inventory and future issuances) to the CORSIA-approved VM0050 methodology.
- The Company renewed its normal course issuer bid during the second quarter and, year-to-date, has repurchased approximately 6 million shares through the NCIB program and share purchase agreements at an average price of C\$0.49 per share¹.
- The Company ended the second quarter with total assets of \$111.0 million, including \$10.4 million in cash and cash equivalents, and a \$25.6 million carbon credit inventory.

¹ Average purchase price of US\$0.36 per share using the Bank of Canada daily exchange rate on August 12, 2025.

Financial Highlights:

<i>(in thousands of United States Dollars except per-share figures)</i>	Three months ended	
	June 30, 2025	June 30, 2024
Realized cash settled gains on investments in carbon credit projects	\$ 1,022	\$ 12,508
Total operating expenses	(1,765)	(2,537)
Operating income (loss) for the period	(743)	9,971
Unrealized gains (losses) on investments in carbon credit projects	1,182	(1,838)
Loss on investments at fair value	-	(350)
Income tax expense	(288)	(332)
Comprehensive income for the period	239	7,470
Basic income per share	0.00	0.06
Diluted income per share	\$ 0.00	\$ 0.06

<i>(in thousands of United States Dollars)</i>	June 30, 2025	December 31, 2024
Total assets	\$ 110,969	\$ 112,068
Total liabilities	8,802	9,059
Total shareholders' equity	102,167	103,008
Breakdown of key assets		
Cash and cash equivalents	\$ 10,425	\$ 14,799
Carbon credit inventory	25,633	25,633
Current investment in carbon credit projects	11,550	8,816
Non-current investment in carbon credit projects	61,096	61,068

Vietnam Household Devices Project

During the three months ended June 30, 2025, the Company received \$1,021,522 in net cash proceeds from project off-taker Citigroup associated with the delivery and monetization of the latest cookstove carbon credit issuance. During Q2 2025, an unrealized gain of \$897,174 was also recognized on the project, resulting from the unwinding of the discount rate relative to the time value of money.

As at June 30, 2025, local project partner Sustainability Investment Promotion and Development Joint Stock Company (“**SIPCO**”) had delivered an aggregate total of 7.4 million credits to BCCPC, which completed Phase 1 of the Vietnam household devices project. The project now enters Phase 2, where BCCPC has the option to purchase all further carbon credits generated by the project on a yearly basis for \$5 per carbon credit.

Since the inception of the project, and as of June 30, 2025, the Company has received aggregate cash proceeds of approximately \$36.3 million from the sale of Vietnam carbon credits. To date, the project has fully returned its capital investment as well as generated a cash gain of approximately \$15.4 million.

Following the International Civil Aviation Organization (“**ICAO**”) October 2024 announcement on eligible methodologies under the Carbon Offsetting and Reduction Scheme for International Aviation (“**CORSIA**”), and in light of positive market feedback regarding the updated VM0050 methodology, the Company and SIPCO have agreed to apply Verra’s new methodology to the cookstove component of the Vietnam household devices project.

Rwanda Cookstoves Project

During the three months ended June 30, 2025, an unrealized gain of \$284,586 was recognized on the project, resulting from the unwinding of the project discount rate of 15%, relative to the time value of money.

In-country development partner, the DelAgua Group, has progressed its work to apply Verra’s new VM0050 methodology to the project. During May 2025, the requantification request was submitted to Verra, which would move all credits from the current VMR0006 methodology to the new VM0050 methodology, including current Base Carbon inventory and future project issuances. Management anticipates that carbon credits held in inventory, following conversion to VM0050, as well as future carbon credit issuances from the project will be eligible for delivery into compliance programs such as CORSIA, and should benefit from the premium pricing typically associated with CORSIA-eligible units.

Subsequent to quarter end, the Company received into inventory 192,810 Article 6 Authorized labelled carbon credits from the Rwanda cookstoves project. Additionally, a further 371,272 carbon credits were issued to the DelAgua Group which will be subject to the revenue sharing arrangement with the Company.

India Afforestation, Reforestation, and Revegetation (ARR) Project

During Q2 2025, the India ARR project was submitted for validation to Verra by in-country project partner Value Network Ventures Pte. Ltd. (“**VNV**”). Base Carbon expects the first issuance of carbon credits associated with the India ARR project to occur in the first half of 2026.

As previously disclosed, VNV completed planting of 6,500,000 trees. The realized mortality rate of the planted trees falls within the Company’s expected and underwritten mortality range. Pursuant to the agreement, VNV is contractually obligated to replace any tree mortalities to ensure a maintained standing stock of a minimum of 6,500,000 trees.

Pipeline

The Company is actively assessing capital deployments which, in addition to generating carbon credits, produce a commercial product. These “near-carbon environmental industrials” may include, but are not limited to, biochar, agroforestry, direct air capture or other types of projects.

Consistent with our strategic focus and extensive underwriting and diligence to date, the Company continues to assess highly executable, high-quality, and high-integrity capital commitments with offtake arrangements that are in, or near, production. Recent legislative and regulatory shifts in North America have had material bearing on the market for North American-based biochar, reinforcing the Company’s continued engagement in carefully assessing accretive opportunities in this space. The Company remains disciplined in its approach, with plans to limit capital commitments to opportunities that are prudently underwritable and demonstrably value-accretive to its shareholders.

Investor Town Hall

The Company plans to hold an Investor Town Hall in September where management will provide a business update and respond to investor questions via Zoom Webinar. Further details regarding the date and time as well as registration information will follow in the coming weeks.

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.

Media and Investor Inquiries

Base Carbon Inc.
Investor Relations
Tel: +1 647 952 3979
E-mail: investorrelations@basecarbon.com

Media Inquiries
E-mail: media@basecarbon.com

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 or revenue sharing arrangements, the implementation of the CORSIA framework and timing of eligibility and participation of carbon credits and carbon credit methodologies thereunder, the market demand and price of CORSIA eligible carbon credits, and the timing of project registration and first carbon credit issuance 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, 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 carbon credit market prices, (iv) the verification of ongoing project monitoring reports and issuance of carbon credits by Verra, (v) changes to laws, regulation or policies in applicable jurisdictions, and (vi) the Company has sufficient funds on hand to make any required 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 SPCO 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, (iii) there is no further changes in the project methodologies used by the applicable carbon credit registry or otherwise adopted by project proponents which results in less carbon credits being issuable, (iv) positive market recognition of the attributes linked to the Company's carbon credits (such as project methodologies and changes thereto) and acceptance of such carbon credits by emissions trading schemes or compliance programs such as CORSIA, and (v) continued participant involvement and public support, including that of applicable governmental authorities, 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 of the project remains in line with anticipated timelines and costs, (ii) project counterparties, including project partner Value Network Ventures Pte. Ltd., its subcontractors and local small-land owners, perform their contractual and/or standard operating procedures, (iii) the survival of trees, (iv) the successful project validation and registration by Verra, (v) the waiver of any carbon credit ownership rights by local project participants, (vi) the growth rates of trees are consistent with the expectations under the project which is then reflected by monitoring reports accepted by Verra, (vii) the Company has sufficient funds to satisfy its capital commitments, (viii) over the life of the project, there is no change to the project methodology which results in less carbon credits being issuable from the operation of such project, and (ix) 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's discussion and analysis for the Company's quarter ended June 30, 2025 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.