



CO₂ Solutions Announces Proposed Offering

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

Quebec City, QC, December 7, 2017 – CO₂ Solutions Inc. (“CO₂ Solutions” or the “Corporation”) announces that it has entered into an agreement whereby it has engaged Echelon Wealth Partners Inc. (“Echelon”) as agent in connection with a public offering (the “Offering”) of a minimum of 1,500 unit of the Corporation (the “Units”) and a maximum of 2,500 Units, at a price of \$1,000 per Unit, for aggregate gross proceeds of a minimum of \$1.5 million and of a maximum of \$2.5 million.

Each Unit will consist of a 8% convertible unsecured debenture in the principal amount of \$1,000 (the “Debenture”) and 8,333 share purchase warrants (each single share purchase warrant, a “Warrant”) of the Corporation.

The Debentures will mature three years from the closing of the Offering (the “Maturity Date”) and will bear interest at a rate of 8% per annum payable semi-annually in arrears on May 31 and November 30 of each year commencing on May 31, 2018 (the “Interest”). The Interest will be payable in cash or in common shares of the Corporation (the “Common Shares”), at the option of the Corporation, at the higher of (i) the closing price of the Common Shares on the TSX Venture Exchange (the “TSXV”) on the date prior to the determination; or (ii) the volume weighted average trading price of the Common Shares on the TSXV for the five consecutive trading days ending on the trading day preceding the date of the applicable event or the date otherwise specified (the “Current Market Price”).

Each Debenture will be convertible, at the option of the holder at any time prior to the close of business on the tenth business day immediately preceding the Maturity Date, into the number of Common Shares computed on the basis of (i) an amount equal to the principal amount of the Debentures that is an integral multiple of \$1,000 principal amount divided by the conversion price of \$0.12 per Common Share (the “Conversion Price”), which is subject to adjustments in certain events, and (ii) an amount equal to the Interest that would have been payable on the Debentures from the date of conversion to the maturity date (the “Make-Whole Amount”), provided, however, that such amount will be reduced by 1% for each 1% that the Current Market Price as at the date preceding the notice of conversion exceeds the Conversion Price divided by the Current Market Price of the Common Shares on the last trading date prior to the date of conversion.

The aggregate number of Common Shares to be issued upon conversion of the Debentures and for any payment of the Make-Whole Amount in Common Shares shall not exceed the number of Common Shares that is equal to the principal amount of the Debentures divided by \$0.09. Holders will also be entitled to receive accrued and unpaid Interest since the last Interest payment date, payable in cash or Common Shares, at the Corporation’s option. The Corporation will pay any accrued and unpaid Interest that it elected to pay in Common Shares by issuing and delivering to the holder that number of fully paid and non-assessable Common Shares obtained by dividing the amount of any accrued and unpaid Interest by the Current Market Price on the last trading date prior to the date of conversion.

The Debentures will also be convertible in Common Shares at the option of the Corporation after the first anniversary of the closing date of the Offering subject to certain conditions, through the issuance of a number of Common Shares computed on the same basis as a conversion by holders. The Corporation will not be able to effect a conversion with respect to any holder beyond a level that would result in such holder holding over 9.9% of the outstanding Common Shares.

The repayment of the principal of the Debentures at maturity will be made in Common Shares exclusively, with holders being entitled to receive a number of Common Shares computed on the basis of the Conversion Price.

Each full Warrant entitles the holder thereof to purchase one Common Share at the price of \$0.12 for a period of 36 months following the closing date of the Offering.

The Offering is being made in the provinces of British Columbia, Alberta, Ontario and Québec by way of a prospectus supplement to the Corporation's base shelf prospectus dated November 23, 2015, which will be filed as soon as practicable. In connection with the Offering, the Corporation intends to enter into an agency agreement with Echelon concurrently with the filing of the Prospectus Supplement.

Net proceeds of the Offering will be used (i) to pay down existing debt balances; and (ii) for general and working capital purposes.

The Offering is expected to close on or about December 19, 2017, subject to the satisfaction of all necessary regulatory approvals, including the approval of the TSX Venture Exchange.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, or to, or for the account or benefit of U.S. persons (as such term is defined in Regulation S under the United States Securities Act of 1933, as amended (the "U.S. Securities Act")). The securities have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States or to or for the account or benefit of a "U.S. person" (as defined in Regulation S under the U.S. Securities Act) unless an exemption from such registration is available.

About CO₂ Solutions Inc.

CO₂ Solutions is an innovator in the field of enzyme-enabled carbon capture and has been actively working to develop and commercialize the technology for stationary sources of carbon pollution. CO₂ Solutions' technology lowers the cost barrier to Carbon Capture, Sequestration and Utilization (CCSU), positioning it as a viable CO₂ mitigation tool, as well as enabling industry to derive profitable new products from these emissions. CO₂ Solutions has built an extensive patent portfolio covering the use of carbonic anhydrase, or analogues thereof, for the efficient post-combustion capture of carbon dioxide with low-energy aqueous solvents. Further information can be found at www.co2solutions.com

CO₂ Solutions Forward-looking Statements

Certain statements in this news release may be forward-looking. These statements relate to future events or CO₂ Solutions' future economic performance and reflect the current assumptions and expectations of management. Forward-looking statements in this news release include, but are not limited to, the terms of the Offering, the successful completion of the Offering, the Corporation's anticipated use of proceeds and the expected timing for closing of the Offering. Factors that could cause actual results to differ materially from such forward-looking statements include, but are not

limited to, failure to obtain TSX Venture Exchange approval of the Offering, general business and economic uncertainties and adverse market conditions as well as those risks set out in the Corporation's public documents filed on SEDAR. No assurance can be given that the Offering will be completed as described, or at all. Readers are cautioned not to place undue reliance on such forward-looking statements. CO₂ Solutions undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable law.

-30-

Investor Relations and Media Contact:

CO₂ Solutions:

Jérémie Lavoie
418-842-3456, ext. 223
jeremie.lavoie@co2solutions.com
www.co2solutions.com

or

NATIONAL Equicom

Heidi Christensen Brown
416-848-1389
hchristensenbrown@national.ca

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.