



CARBON STREAMING

Financing a Net-Zero Carbon Future



When the Paris Agreement was signed in 2015, the climate landscape was different than it is today.

Now corporations are setting net-zero strategies to align themselves with the Paris Agreement—many of which include carbon offsets.

Carbon offset

also known as a carbon credit

One carbon offset = One metric ton of GHG emissions

Studies indicate carbon prices will need to exceed \$100/t CO₂ equivalent (CO₂e) by 2030 to achieve the temperature goals of the Paris Agreement.

Fighting Climate Change

Carbon Streaming Corporation

Today, there is a need for innovation to accelerate the creation of carbon offsets.

To answer this, CSC is bringing the streaming model, found in mining and energy sectors, to carbon markets:



Carbon Streaming Advantages

- Not responsible for operating costs or capital costs
- Annual yield with credits received each year over term
- Potential value appreciation with purchase terms set upfront
- Security from encumbrance on the project, asset or carbon credit rights
- Independent verification with established buffer pools to protect against damage or loss

Project Developer Advantages

- Provides upfront cash and annual income for decades
- Ability to monetize carbon credits from the project
- Revenue share with CSC on credit sales provides additional upside
- Assistance with verification and registration of carbon credits
- Ability to leverage community investment and increase project size

Portfolio

CSC's portfolio includes carbon credit streams and investments that meet one or more of the **UN Sustainable Development Goals**.



MarVivo
Baja California Sur, Mexico
~22,000 hectares (ha) of mangroves

Rimba Raya
Borneo, Indonesia
~64,000 ha of tropical lowland forests

Cerrado Biome
Brazil
~11,000 ha of savanna eco-region

Bonobo Peace Forest¹
Democratic Republic of Congo
~3,500,000 ha of natural reserves

¹ CSC has made an initial investment in the Bonobo Peace Forest, which will be directed to prepare feasibility studies and establish initial project activities.

Importantly, investments will often produce benefits that go beyond carbon, such as local community development and infrastructure.

Bridging the Gaps in Carbon Markets

Carbon Streaming Corporation uses its **stream financing model** to finance projects needed to deliver a net-zero carbon future.

With its first-mover advantage, CSC is quickly establishing itself as a strategic partner in the life of a carbon credit.



Here's why carbon markets will play a critical role as corporate climate ambitions become more urgent.

Not a Matter of If, But When

What are the primary catalysts propelling buyers to purchase carbon credits?

Net-Zero Targets

In just two years, net-zero targets of the world's heaviest emitters have jumped **five-fold**.



Source: BloombergNEF, Climate Action 100+, Bloomberg Terminal. Note: Emissions are based on the portion of a company's carbon footprint that is included in the net-zero target (Sep 2021)

Time Gaps

Of course, eliminating emissions doesn't happen overnight.

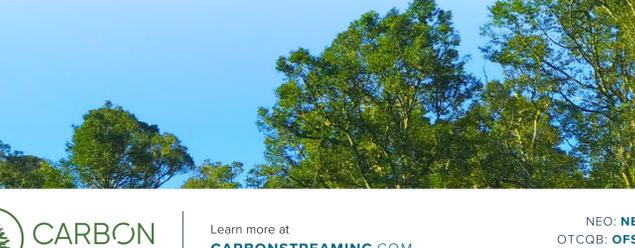
For industries such as energy, aviation, and transport that face a lengthy transition to cutting emissions, carbon offsets provide a key tool for the short-term.

Hard-to-Abate Sectors

- Aviation
- Shipping
- Metalurgy
- Cement
- Heavy road transport
- Chemicals

35% of the Paris Agreement emission reductions by 2050 will be from these industries.

Source: RMI (Aug 2021)



Investor Pressure

Increasingly, shareholders and asset managers expect companies to have climate strategies.

Number of Supporting Organizations

Climate Action 100+ is an investor-led organization that engages with the world's largest emitters. (2017: 225, 2021: 615, +173%)

SBTi mobilizes companies to set emissions targets in line with the Paris Agreement. (2017: 250, 2021: 1,084, +334%)

TCFD represents organizations with \$25T in market capitalization and financial institutions with \$194T in assets. (2017: 237, 2021: 2,600, +997%)

Source: Climate Action 100+, SBTi, TCFD

Market Growth

In 2021, voluntary carbon markets exceeded **US\$1 billion** in transactions—hitting a record level.

Source: Ecosystem Marketplace (Nov 2021)

Strong Demand

By 2030, voluntary carbon markets could be worth upward of **US\$50B**.

Source: McKinsey (Jan 2021)



Disclosure Pressure

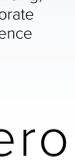
Pressure for increased climate risk disclosure will likely boost demand for carbon offsets as companies aim to avoid reputational risk.



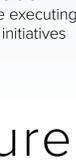
TCFD (Task Force on Climate-related Financial Disclosures)



CDP (formerly the Carbon Disclosure Project)



G7 finance ministers favor mandatory climate risk disclosure



SEC is developing mandatory disclosure requirements on climate risk

These factors are anticipated to increase demand for voluntary carbon credits.

Management Team

Justin Cochrane
CEO & Director
20+ years of royalty and stream financing experience

Geoff Smith
President & COO
15+ years of corporate finance experience, most recently at Scotiabank

Conor Kearns
Chief Financial Officer
20 years of finance, auditing and tax structuring experience

Anne Walters
General Counsel & Corporate Secretary
Nearly 20 years of experience in the corporate sector

Michael Psihogios
Chief Investment Officer
15+ years of financing, M&A and corporate finance experience

Amy Chambers
Director, Marketing, Communications & Sustainability
20 years of experience executing strategic initiatives

Financing a Net-Zero Future

With a significant pipeline of opportunities and a strong balance sheet, CSC is targeting an internal rate of return of **15%**.

CSC's growth strategy rests on the following three pillars:

Acting as a long-term partner with developers to bring capital to projects

Being a trusted source for high-quality credits for buyers

Providing investors an opportunity to gain exposure to carbon markets and make an impact with their capital on climate change

As companies are finally coming to terms with the urgency of climate goals, CSC is uniquely positioned to make these goals a reality.