



TSX-V: CST

For Immediate Release

CO₂ Solutions Provides Update on Saint-Félicien Pulp Mill and Greenhouse Carbon Capture Project

Quebec City, Quebec, May 23, 2017 – CO₂ Solutions Inc. (the “Corporation”) (TSX-V:CST), leader in the field of enzyme-enabled carbon capture technology, today provided an update on progress at the Corporation’s first commercial project with Fibrek General Partnership, a subsidiary of Resolute Forest Products Inc. (TSX: RFP) (NYSE: RFP), and Serres Toundra Inc. The project entails the deployment of a carbon capture unit and ancillary equipment at a pulp mill in the Saint-Félicien region of Quebec (Canada) and the commercial reuse of the captured CO₂ by the adjacent Serres Toundra greenhouse facility (the Project).

CO₂ Solutions and BBA, the engineering partner on the Project, have completed the preliminary engineering phase. As a result, the Corporation confirms that the CO₂ capture unit will be designed to produce 30 tonnes per day (tpd) of CO₂ which is at the high-end of the initially expected range. As the Project’s original financial projections were conservatively based on revenues generated by a smaller, 15 tpd unit, the Corporation now projects annual revenues of approximately \$750,000 from the Project once it commences production.

With this first phase of the Project successfully completed, focus will turn to the detailed engineering of the CO₂ capture and reuse facility, which is scheduled to be completed by October 2017. Ordering of certain long-lead items, for which engineering specifications have been developed, is anticipated for August. Initial mechanical integration work with the Resolute pulp & paper mill will be carried out during the fall 2017. Construction of plant components will take place during the winter. Structural and foundation work is anticipated to commence in April 2018 followed by assembly of constructed plant components. Commissioning and start-up of the completed capture plant is projected for Q4 of 2018. This updated schedule reflects the Project’s later than expected start date, the result of delays in obtaining all the necessary Project financing and the Corporation’s choice to limit construction activities during the winter months.

In 2014, the Project was initially budgeted at \$7.4 million. The currency, US\$/CAD\$, fluctuations since 2014 as well as normal inflation have resulted in the Corporation adjusting the Project budget from the original \$7.4 million to \$8.4 million. Without these external factors, the budget is in line with initial estimates. Additionally, this increase is favourably compensated in the Project’s overall economics by the now higher revenue projections.

“We are very pleased with the progress of the project to date and the co-operation between the partners,” stated Richard Surprenant, Chief Technology Officer for CO₂ Solutions. “The Project’s cost is in line with our internal models as adjusted for currency fluctuations and inflation. This further confirms our industry leading low capital expenditure estimates for larger scale units.”

“We are very excited to be working on this first commercial CO₂ capture project, which will deliver the blue print for future installations we anticipate marketing to our existing customer base,” stated Lyne Ricard, Executive Director, Project Management Practice at BBA. “The beauty of CO₂ Solutions’ technology is that it not only helps mitigate carbon, and thereby promises to reduce the increasing liability associated with emitting carbon, but it also enables an economically viable reuse of CO₂. We believe that this is a proposition that will resonate well with our industrial partners and look forward to increasing the visibility of this technology across various industries.”

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, including statements relating to the liquidation of Akermin, or CO₂ Solutions' future economic performance, and reflect the current assumptions and expectations of management. Factors that could cause actual results to differ materially from such forward-looking statements include, but are not limited to, general business and economic uncertainties, third party events and adverse market conditions as well as those risks set out in the Corporation's public documents filed on SEDAR. 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:

Thom Skinner
418-842-3456, ext. 223
thom.skinner@co2solutions.com
www.co2solutions.com

or

NATIONAL Equicom

Marc Lakmaaker
416-848-1397
mlakmaaker@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.