



TSX-V: CST

Outstanding shares: 60,261,136

*For Immediate Release*

## **CO<sub>2</sub> Solution Signs Carbon Capture Collaboration with Global Leader in Energy Infrastructure**

*Cost Effective Technology Targets Major Source of Greenhouse Gases, Air Pollution from Coal-Fired Power Plants*

**Quebec City, QC, Canada, December 3<sup>rd</sup>, 2010** – CO<sub>2</sub> Solution Inc. is pleased to announce that it has entered into an exclusive Collaboration Agreement (the “Agreement”) covering the development and pilot scale testing of its carbon capture technology to reduce carbon dioxide pollution from coal-fired power plants, one of the world’s largest sources of greenhouse gas emissions.

The parties to the Agreement include a global leader in energy and infrastructure projects with over 5 billion dollars in annual sales (the “Company”), and Codexis, Inc., CO<sub>2</sub> Solution’s exclusive enzyme development and production partner.

Under the terms of the Agreement, CO<sub>2</sub> Solution, Codexis and the Company will collaborate over a period of up to 16 months on a pilot phase program to develop and test customized carbon capture enzymes and related processes for use in power plants to reduce greenhouse gas emissions. The Company will fund research activities under the collaboration, which may be expanded to a long-term development and commercialization agreement if milestones are met and subject to negotiation of such an agreement between the parties.

The Agreement is a result of a laboratory scale validation effort undertaken with the Company in the first half of 2010 which demonstrated that the enzyme technology has the potential to significantly increase the efficiency of certain carbon capture technologies for application to power plants.

CO<sub>2</sub> Solution will receive up to US \$3.4 million for its activities under the Collaboration Agreement. During the term of this collaboration, CO<sub>2</sub> Solution and Codexis will provide the Company with exclusive access to their respective technologies for use with specific systems in power generation and industrial applications. Correspondingly, the Company will work exclusively with CO<sub>2</sub> Solution and Codexis related to carbonic anhydrase (CA) enzymes in these applications.

CO<sub>2</sub> Solution and Codexis have collaborated on the development of customized carbonic anhydrase biocatalysts and processes that could significantly decrease the energy and capital costs associated with the capture of CO<sub>2</sub> from power plant flue gases. Program results to date have shown that combined CO<sub>2</sub> Solution / Codexis proprietary technologies can be used to create and deploy CA biocatalysts with substantially improved stability and performance under harsh industrial conditions.

Glenn Kelly, President & CEO of CO<sub>2</sub> Solution stated, “We are delighted to be partnering with a world leader in power generation and carbon capture systems to advance our technology towards commercialization. It represents the culmination of years of work on the part of CO<sub>2</sub> Solution, and recently in collaboration with Codexis, in moving enzymatic technology forward to improve the cost performance of CO<sub>2</sub> capture systems. We also believe this agreement represents a strong validation of our leading patent position in this field.”

### **About the CO<sub>2</sub> Solution-Codexis Collaboration**

A technology development collaboration between Codexis, Inc. ([www.codexis.com](http://www.codexis.com)) and CO<sub>2</sub> Solution Inc. was announced in December 2009. The technology is based on the use of customized CA biocatalysts that have the potential to enable cost-effective, energy-efficient processes for the capture of carbon dioxide. Carbonic anhydrase is an enzyme that efficiently catalyzes CO<sub>2</sub> in living systems. As part of the collaboration, Codexis completed a CDN\$2 million equity investment in CO<sub>2</sub> Solution and holds 16.6% of CO<sub>2</sub> Solution's issued and outstanding common shares.

### **About CO<sub>2</sub> Solution**

Based in Quebec City, CO<sub>2</sub> Solution is an innovator in the field of enzyme enabled carbon capture and has been actively working to develop and commercialize the technology for power plants and other large stationary sources of carbon pollution. In the process, CO<sub>2</sub> Solution has built an extensive patent portfolio covering the use of carbonic anhydrase for the efficient post-combustion capture of carbon dioxide. Further information can be found at [www.co2solution.com](http://www.co2solution.com).

### **Forward Looking Statements**

Certain statements in this news release may be forward-looking. These statements relate to future events or CO<sub>2</sub> Solution's future economic performance and reflect the current assumptions and expectations of management. Certain unknown factors may affect the events, economic performance and results of operation described herein. CO<sub>2</sub> Solution 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.

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