



TSX-V: CST

For Immediate Release

CO₂ Solutions Provides an Update on the Valorisation Carbone Québec Project

Making Carbon a New Economic Sector – A project update

Quebec City, Quebec, October 11, 2017 – CO₂ Solutions Inc. (or the “Corporation”) (TSX-V: CST) today provided an update on the Valorisation Carbone Québec project (VCQ), which was first announced by Mr. David Heurtel, the Quebec Minister of Sustainable Development, the Environment and Climate Change, and is supported through a Quebec government grant of \$15 million. Built around the Corporation’s industry-leading proprietary enzymatic CO₂ capture technology, the VCQ project goals are to promote the development and demonstration of commercially viable solutions to capture and utilize CO₂ in value-added applications.

This exciting project is progressing on schedule, with the following activities having already been completed or commenced:

1) Start-up of the CO₂ capture unit

The Corporation’s 10 tonne-CO₂ per day capture unit, which was relocated over the summer from Valleyfield (QC) to the Parachem facility in Montreal-East (QC), was successfully started up in late August. Certain process improvements were implemented during reassembly and the Corporation is pleased to report that the capture unit’s performance results are meeting or exceeding all expectations. Further upgrades will be installed to the unit this fall to reflect the Corporation’s continued innovation. Over the coming months, CO₂ Solutions intends to continue to operate the unit and optimize its output to supply the CO₂ utilization technologies to be installed adjacent to the unit.

2) Agreement with Kiverdi

On September 14, 2017, the Corporation announced it was welcoming Kiverdi, a corporation based in Hayward, California, to the VCQ project. Kiverdi has developed a proprietary bio-process that converts CO₂ into high-value oils, protein, and bio-based products. Under the terms of the agreement, CO₂ Solutions, through the VCQ Project, will fund the construction of a Kiverdi CO₂ conversion unit, as well as fund its subsequent operation at the Parachem site. The market for bio-based products is predicted to grow to an estimated US\$375 to US\$441 billion dollars by 2020, making its inclusion in the VCQ project a great opportunity for the emerging carbon utilization economy.

3) Addition of Methanol and Dimethyl Ether (DME)

Recently, the Corporation included a utilization technology that converts CO₂ into methanol and DME. Methanol is an important commodity in the chemical industry, representing a global market estimated at US\$8 billion dollars annually. DME is a clean-burning fuel with similar properties to propane. When obtained from CO₂ emissions, these two important chemicals significantly contribute to the reduction of GHG’s.

4) Agreement with Carbon Consult Group Inc. (“CCG”)

Carbon Consult Group Inc., experts in the field of GHG emission reduction strategies and consulting, has been appointed as the official partner for measuring and validating the impact on greenhouse gases of the carbon capture and utilization technologies being tested within the VCQ project. As such, CCG will be the authority confirming the quantity of CO₂ mitigated by the Corporation’s CO₂ capture technology and the various utilization partners’ technologies. “We are very excited to be associated with a project bringing together so many new technologies,” said Jean Paquin, Executive Vice-President for CCG. “VCQ is a fantastic platform to demonstrate CO₂ capture and utilization, and represents an opportunity for these technologies to validate their merits in a real operating environment.”

5) **Nomination of Denis Roy as Chair of the Management committee**

Mr. Denis Roy, from Suncor Energy (TSX: SU), has been confirmed as the Chair of the VCQ Management Committee. Mr. Roy is currently Director of Operations, Eastern Canada for Suncor Energy. "I am happy to take on the position of Chair of the VCQ Management Committee," said Mr. Roy. "I believe that this project will allow for the creation of a new carbon economy, through the commercial development of innovative ways to utilize CO₂, and I look forward to contributing to its success."

6) **Change in the Scientific Committee**

Dr. Philippe Tanguy, VP R&D Partnerships at Total and member of the Scientific Committee has resigned from his position on the VCQ Scientific Committee to pursue other opportunities. Dr. Shaffiq Jaffer, VP - Corporate Science and Technology Projects at Total, has accepted to replace Dr. Tanguy on the five-person committee. "I am thrilled to bring my contribution to the VCQ Scientific Committee," Said Dr. Jaffer, "To participate in a project demonstrating new technologies is exciting and a great opportunity to make a difference in the fight against climate change."

"We have been able to identify and sign up a number of very exciting technology partners for the VCQ project, and we are very pleased with its progress to date," stated Louis Fradette, VCQ Project Director. "Kiverdi, CCG, as well as our engineering partner Hatch all are making major contributions towards achieving the end goal of the project, which is to demonstrate the technical and economic potential of combining CO₂ Solutions' capture technology with various conversion technologies, while at the same time reducing GHG emissions."

About the Valorisation Carbone Québec (VCQ) Project

The objective of the VCQ project is to develop and demonstrate commercially viable end-to-end solutions to capture and utilize CO₂ in various applications while at the same time reducing greenhouse gas (GHG) emissions. Under the leadership of CO₂ Solutions, a world-class leader in this field, the VCQ project also includes the participation of Laval University and the Quebec government. Joining the initial members are Parachem, a limited partnership jointly owned by Suncor Energy Inc. (51%) and Société Investissement Québec (49%), and Hatch Ltd., a global consulting and engineering firm specialized in the design and realization of major industrial engineering projects and services throughout the world and the supplier of engineering services to the VCQ project. The VCQ project is headed by Dr. Louis Fradette, former CTO at CO₂ Solutions, as its Project Director. The demonstration phase of the VCQ project includes the design, construction, installation and operation, at Parachem's industrial site in Montreal-East (Quebec), of a CO₂ capture unit using the Corporation's enzymatic process, and CO₂ utilization units provided by utilization partners. The development phase aims to advance one or several second-generation CO₂ utilization processes based on the work already initiated at various universities and public or private research centres. The VCQ project is supported by a \$15M grant from the Québec government and monetary investments and/or in-kind contributions by the partners.

About Carbon Consult Group Inc.

CCG is an independent consulting company in carbon management and climate change. CCG assists organizations and businesses in defining risks associated with greenhouse gas (GHG) emissions, and supports them in reducing their carbon footprint through strategic mitigation measures. CCG has global expertise in compliance and risk management, GHG emissions services, adaptation planning, and energy efficiency. CCG works with the private and public sectors. CCG encompasses four business units: carbon management, verification, adaptation, and financial services. Further information can be found at www.carbonconsultgroup.com.

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.

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