



TSX-V: CST

Outstanding shares: 94,287,836

*For Immediate Release*

## **CO<sub>2</sub> Solutions Announces Closing of First Tranche of the Private Placement**

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

**Quebec City, QC, July 3, 2014** – CO<sub>2</sub> Solutions Inc. (“**CO<sub>2</sub> Solutions**” or the “**Corporation**”) is pleased to announce the closing of a first tranche of the previously announced private placement of 14,600,000 units of the Corporation (the “**Units**”) at a price of \$0.15 per Unit for aggregate gross proceeds of \$2,190,000 (the “**Private Placement**”). Each Unit is comprised of one common share (a “**Common Share**”) and one common share purchase warrant (a “**Warrant**”). Each Warrant entitles its holder to acquire one additional Common Share at a price of \$0.25 per Common Share until July 3, 2017.

Euro Pacific Canada Inc. (the “**Agent**”) acted as agent and bookrunner for the Private Placement pursuant to an agency agreement entered into on the date hereof between the Agent and the Corporation. In connection with the first tranche of the Private Placement, the Corporation paid the Agent, a cash commission of \$79,607.50 and issued 530,716 non-transferable broker units to the Agent entitling the Agent to purchase in the aggregate 530,716 Units at a price of \$0.15 per Unit until July 3, 2017.

The Corporation intends to use the net proceeds of the first tranche of the Private Placement to provide additional working capital for continued development operations, support cash flow requirements required for completion of Western Canada oil sands demonstration project and the pursuit of other market opportunities, particularly in the United States.

It is expected that the closing of a second tranche of the Private Placement will occur on or about July 17, 2014.

Existing shareholders of CO<sub>2</sub> Solutions participated in the first tranche of the Private Placement pursuant to a prospectus exemption for distributions to existing security holders and acquired an aggregate of 768,334 Units.

All securities issued under the first tranche of the Private Placement are subject to a four (4) month statutory hold period until November 4, 2014.

As previously announced on June 19, 2014, certain related parties of the Corporation participated in the first tranche of the Private Placement and subscribed for an aggregate of 2,883,333 Units. Participation of related parties of the Corporation in the Private Placement constitutes a “related party transaction” as defined under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions (Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions in Quebec)* (“**MI 61-101**”). The Private Placement is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101, as neither the fair market value of securities being issued to insiders nor the consideration being paid by insiders will exceed 25% of the Corporation’s market capitalization. The Corporation did not file a material

change report 21 days prior to the closing of the Private Placement as the details of the participation of the related parties of the Corporation had not been confirmed at that time.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the “United States”, 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 in the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration requirements is available.

#### **About CO<sub>2</sub> Solutions Inc.**

CO<sub>2</sub> 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. CO<sub>2</sub> Solutions’ technology lowers the cost barrier to Carbon Capture, Sequestration and Utilization (CCSU), positioning it as a viable CO<sub>2</sub> mitigation tool, as well as enabling industry to derive profitable new products from these emissions. CO<sub>2</sub> 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](http://www.co2solutions.com).

#### **About Euro Pacific Canada Inc.**

Euro Pacific Canada Inc. is a full service IIROC registered brokerage firm headquartered in Toronto, with offices in Montréal, Vancouver and Tokyo, Japan. The firm offers an integrated platform of economic and equity research, institutional sales and trading, investment banking and private client services.

#### **CO<sub>2</sub> Solutions Forward-looking Statements**

Certain statements in this news release may be forward-looking. These statements relate to future events or CO<sub>2</sub> 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 Corporation’s anticipated use of proceeds. 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 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. CO<sub>2</sub> 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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