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CO₂ SOLUTIONS APPLAUDS THE US BUDGET TAX CREDIT FOR CO₂ CAPTURE

The Corporation's technology poised to support the US objectives of reducing CO₂ emissions through its capture, sequestration and/or beneficial use

Quebec City, February 21, 2018 – CO₂ Solutions Inc. (or the "Corporation"), leader in the field of enzyme-enabled carbon capture technology, today responded to the adoption, on February 9, 2018, of the 45Q tax credit under the 2018 Bipartisan Budget Bill in the United States (US).

This approval sees the existing carbon tax credit in the US increase as follows:

- a) from the present \$10/tonne to \$35/tonne in 2027 for CO₂ captured and utilized in Enhanced Oil Recovery ("EOR") or other end-use applications, and;
- b) from the present \$20/tonne to \$50/tonne in 2027 for CO₂ captured and geologically sequestered.

Another major change to the 45Q credit is that it is no longer capped, whereas it previously limited the amount of CO₂ captured to 75 million tonnes. The tax credits will be adjusted for inflation over time and are expected to increase linearly between the 2017 and the 2027 rates.

"The 45Q tax credit adopted as part of the US Budget Bill is an exciting development for the carbon capture, utilization and sequestration (CCUS) industry," stated Evan Price, President and Chief Executive Officer of CO₂ Solutions. "The amount of the tax credit will be a powerful incentive to implement CCUS projects in the US and CO₂ Solutions is very well positioned with its low-cost and environmentally friendly capture technology to contribute in this respect. This tax credit serves to remind us that, while individual countries may adopt different policies to reduce emissions, these all point to the same final goal and carbon capture is recognized as an essential approach to reach it."

By offering a carbon capture technology that is already at commercial scale, CO₂ Solutions is well positioned to respond to opportunities that may arise from this tax credit. In addition, through the *Valorisation Carbone Québec* (VCQ) project, the Corporation is able to demonstrate its technology at large scale on a continuous basis alongside the CO₂ utilization technologies of its partners. This industry-leading platform (VCQ) is attracting interest from industrial partners from around the world who are willing to implement carbon capture and utilization. The commissioning of the Corporation's first commercial carbon capture unit at the Resolute Forest Product's Saint-Félicien, QC pulp mill at a 30-tonne per day scale later in 2018 will provide a second facility that can be used to demonstrate the performance of CO₂ Solutions' technology.

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, Utilization and Sequestration (CCUS), 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 or CO₂ Solutions' 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. 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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