



TSX-V: CST

FOR IMMEDIATE RELEASE

CO₂ Solutions Announces Rotating Packed Bed Pilot Testing Results

Test program demonstrates potential to significantly reduce carbon capture capital costs

Quebec City, Quebec, January 5, 2017 – CO₂ Solutions Inc. (the “Corporation”) (TSX-V: CST), the leader in low-cost carbon dioxide (CO₂) capture, announced today the completion of the performance assessment of rotating packed bed (RPB) equipment in the context of the further reduction of carbon capture costs, utilizing the Corporation’s proprietary enzymatic technology.

The programme, funded in part by a grant from the Natural Resources Canada ecoENERGY Innovation Initiative, consisted of an extended testing session at relevant scale at the University of North Dakota Energy & Environmental Research Center (EERC), as well as an analysis of equipment construction materials. The programme allowed for testing of both the CO₂ absorption and stripping performance of RPB units from two suppliers.

The Corporation is pleased with the testing results and can confirm that a significant potential capital cost reduction for carbon capture plants is achievable. This reduction is possible due to a combination of factors that enable CO₂ Solutions’ enzyme-accelerated carbonate solvent, including choice of equipment, use of less costly materials, design of the high intensity contacting units, and simpler process configurations.

“Innovation is part of CO₂ Solutions’ DNA, and the results of this latest testing programme show how we continue to reduce the costs of our carbon capture technology,” stated Evan Price, President and Chief Executive Officer of CO₂ Solutions. “Based on these results, and in the context of governments imposing increasing penalties associated with emitting CO₂, we believe we have an economically viable offering that will allow industry to meet carbon reduction targets while remaining competitive.”

RPB equipment, while offering similar performance to a packed tower configuration, has the advantage of a significantly reduced size, which enables technological and strategic opportunities in situations where footprint and/or space are limited. The utilization of high-intensity RPB equipment by the Corporation is made viable because of the performance of its proprietary enzymatic technology.

“Both our packed tower and RPB equipment approaches have now demonstrated stable and efficient capture capabilities meeting industrial requirements” stated Louis Fradette, Chief Technology Officer of CO₂ Solutions. “The power of our proprietary enzymatic technology is that it significantly accelerates carbon capture. Additionally, where conventional technologies require high value steam to operate, our process using our carbonate solvent accelerated by our proprietary enzyme allows for the use of nil value low-grade heat to achieve operating results similar to conventional technologies but at much lower cost. With the high intensity aspect of the RPB equipment, we can now deliver systems that are significantly smaller than any other technology on the market.”

CO₂ Solutions now intends to continue testing of the RPB at larger scale for use in an industrial environment, within the context of the Quebec government funded carbon cycle project (*Valorisation Carbone Québec*). As announced in the Quebec budget in March 2016, the objective of the VCQ project is to demonstrate a complete industrial CO₂ cycle, from capture to reuse into value-added products.

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 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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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

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