

Aether Catalyst Solutions, Inc. - Year in Review 2023

Burnaby, British Columbia--(Newsfile Corp. - January 8, 2024) - **Aether Catalyst Solutions, Inc. (CSE: ATHR) (FSE: 2QZ) ("ATHR")** is pleased to provide the following update on a highly productive 2023 for the company; highlights include:

- In Q1 of 2023, Aether announced the successful results and extension of the Urban Small Motors Emissions Abatement Project (USMEAP) with the City of Burnaby.
- In Q2 of 2023, Aether entered into a Joint Development Agreement with a large material sciences company whose customers include many of the world's leading OEMs.
- In Q4 of 2023, Aether filed PCT Patent Application "Mixed Metal Oxide Catalyst and Compositions and Processes for the Production Thereof".
- In Q4 of 2023, Aether entered an NDA with a large Asian-based Global tier-1 auto component company to explore the use of Aether Catalysts in smaller displacement vehicles.
- In Q4 of 2023, Aether entered an NDA with one of the world's largest small motors manufacturers to examine the use of Aether catalysts in their various applications.
- During the year, Aether has initiated collaborations with two universities in Canada that offer access to equipment that Aether expects will result in programs to enhance the performance of our catalysts, financed partially by government agencies.

For the second year of the USMEAP, the testing fleet was expanded to six units equipped with Aether's catalysts. All units received over one hundred hours of use, and all units showed 100% NOx reduction. USMEAP has been a valuable program for Aether, as it has provided a data set sufficient for Aether to approach OEMs in the small motors space. The program was continued for the 2023 season, with results expected to be published in early Q1 2024.

On April 11, 2023, Aether announced that it entered into a Joint Development Agreement ("JDA") with a Global Special Materials company to develop an automotive and commercial vehicle catalyst utilizing Aether's catalyst and the company's novel substrate. The first catalyst was shipped late in Q3 and was returned for testing in Q4; Phase one testing has been completed, adjustments made, and Phase 2 testing is expected to begin early in Q1.

In November, Aether filed a PCT Patent Application focusing on composition of matter. The patent was important for several reasons - it offers a high level of protection as we move towards commercialization, and it allowed Aether to share more freely with existing and engaged partners. It was especially important to be able to file composition of matter in such a crowded field.

In Q3 2023 Aether was approached by an Asian-based global tier-1 auto component company looking to address the upcoming changes to allowable emissions in several of its markets. An NDA was executed in Q4, and Aether expects to ship catalyst with an MTA (Material Transfer Agreement) in place during Q1 2024. The specific market to be addressed is currently not economically served and has fewer technical barriers to entry than our other automotive applications.

In Q4 2023 Aether entered an NDA with one of the world's largest small motors manufacturers. Based in the United States, they are anticipating legislative tightening of emissions standards for small motors and looking for solutions that make economic sense. USMEAP data has proven that we have effective and economic solutions for small motors, and as such, we are excited for testing to commence. This program has the potential to be a near-term path to commercialization for our catalyst technology. A technical team meeting is scheduled for early January to lay out specifics of the initial evaluation and we expect to ship the first samples shortly thereafter.

Finally, Fleetco had reached out in Q4 and connected us with one of their suppliers - a large North American manufacturer of exhaust systems and aftermarket catalytic converters. Testing has already been discussed and Aether expects to ship under MTA in 1H 2024. This company would be an ideal partner for Aether with respect to OEM/aftermarket/commercial vehicles segments.

In summary, 2023 was a transformative year for Aether; at its close, Aether has programs in place with three large organizations that could lead to near-term commercialization of our technology with a fourth in early discussions. 2024 will be an eventful year for Aether to demonstrate the efficacy of the technology that has been developed in the previous few years.

It is also important to iterate that Aether's business model is to develop our technology to the point where it is commercialized under Joint Development Agreements with a partner. Typically, that partner is expected to already have a direct use for the technology, or existing client relationships with OEMs that require the resulting product. Another characteristic of commercialization partners is that they have the engineering expertise to optimize Aether's catalysts for a specific use. It is worth noting that all three of the organizations that Aether is in programs with share all of those traits.

Taylor Procyk comments, "The past year was an avalanche of opportunities. We've established a solid foundation of knowledge and practice around our catalysts and in our lab, I'm excited to see Aether grow as these programs continue to develop and we move towards commercialization. We're in a fantastic position to start the year."

Paul Woodward adds, "Things really came together for us in the second half of 2023; we have multiple, high-quality opportunities to commercialize our technology with partners that are ideal in all aspects. We will be testing with four major entities this year as we look to progress our NDAs to JDAs and then to formal Licensing Agreements."

ABOUT AETHER:

Aether Catalyst Solutions, Inc. is focused on providing an order of magnitude cost reduction in automotive catalytic converter catalyst, while meeting, or exceeding government emission standards. Aether is working to quickly advance its technology through rapid screening of new materials directed at enhancing end of life conversion levels after accelerated aging. While Aether's primary focus has been automotive applications, the company is also developing catalysts to address small motors emissions - a significant contributor to urban air pollution.

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