



METHANATORRX UPDATE

Calgary, Alberta – January 16, 2024 – Delta CleanTech Inc. ("**Delta**" or the "**Company**") (CSE:DELT, FRA: 66C).

Delta is pleased to provide additional information on its new division - Methanator_{RX} Technologies Inc. ("Methanator_{RX"}).

Mr. Jeff Allison, President and CEO, remarked, "Methanator_{Rx} product offer provides a technical remedy to the challenges confronting the industry in addressing the destruction of methane emissions linked to wellhead - "Surface Casing Vent Flow Emissions" otherwise know as "SCVFE".

Methane emissions originating from wellheads in oil and natural gas production stem from fissures within the surface casing cement. This issue is prevalent in both newly established and existing wells, with estimations suggesting that up to $10-20\,\%^1$ of all drilled wells encounter SCVFE problems. In Canada, emission volumes are reportable under provincial regulators mandatory guidelines.

The reportable standards, particularly in response to the heightened regulatory emphasis on greenhouse gas emissions ("**GHG**"), underscores the critical nature of addressing methane emissions. Methane possesses a global warming potential 27-30 times that of carbon dioxide². Consequently, the aspiration to capture and destruct methane in a fundamentally secure manner, serves to mitigate the overall greenhouse gas impact associated with oil and gas well production. This initiative concurrently diminishes the carbon intensity of both oil and natural gas production.

Up until this point, casing bowl wellhead methane has not been dealt with to the satisfaction³ of gas production industry or the regulators for the following reasons:

- Capability to destruct with low gas volumes and pressures that current destructor technology cannot process.
- No electric power on site to operate the destructor, data acquisition, and metering equipment required to confirm and certify methane destruction.
- Capability to operate in a hazardous environment with no open flames.

Further to its announcement on December 13, 2023, Delta now reports that it is in the precommercial stage of evaluating a cost-effective technical solution, namely the installation and operation of its Methanator_{RX} unit, which both destroys low volume methane from natural gas wells and generates carbon credits ("**Unit**"). This Unit could solve the shortfalls mentioned here, by converting the destroyed methane into fungible carbon credits. Methanator_{RX} has received

letters of support from a number of major oil and gas companies. Methanator_{RX} expects the Unit will be installed and in operation before the end of January 2024. "

Mr. Allison added "Canada's 2030 Emissions Reduction Plan³ sets out an ambitious and achievable roadmap for Canada to reach its emissions reduction target of 40-45% below 2005 levels by 2030 and net-zero emissions by 2050. Delta is confident that Methanator_{RX} is a viable solution to help meet these ambitious goals in Canada and other emission reduction goals worldwide. "

- 1. Estimation based on discussions with natural gas well operators
- 2. Methane 27-30x CO2 Global warming potential reference https://www.epa.gov/ghgemissions/understanding-global-warming-potentials
- 3. Canada's 2030 Emissions Reduction Plan
 https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/climate-plan-overview/emissions-reduction-2030/plan/overview.html

<u>Delta CleanTech Inc.</u> is a 19-year ESG-driven, recognized global technology leader specializing in developing carbon mitigation products for energy transition industry. Delta continues to provide solutions to clients all over the world in capturing and sequestering CO₂,, reclaiming industrial liquids and solvents utilized in CO₂ capture, destructing methane and waste gases utilizing the Methanator, as well as originating, validating, digitizing, and streaming Carbon Credits through its subsidiary, Carbon RX.

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Forward Looking Statements This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation, which are based upon Delta's current internal expectations, estimates, projections, assumptions and beliefs and views of future events. Forward-looking information can be identified using forward-looking terminology such as "expect", "likely", "may", "will", "should", "intend", "anticipate", "potential", "proposed", "estimate" and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may", "would" or "will" happen, or by discussions of strategy. Forward-looking information include estimates, plans, expectations, opinions, forecasts, projections, targets, guidance, or other statements that are not statements of fact. Specifically, this news release contains forward looking information relating to the Company's anticipated growth, design and build of future projects, anticipated federal funding, issuance of contracts, ability to successfully deliver on such contracts, the ability for the MethanatorRX to provide solutions to the industry, among others.

The CSE does not accept responsibility for the adequacy or accuracy of this release.