



## HydroGraph Clean Power Completes Oversubscribed \$4.2 Million Financing to Accelerate Commercial Sales

TORONTO, Sept. 15, 2022 -- HydroGraph Clean Power Inc. (CSE: HG.CN) ("**HydroGraph**" or the "**Company**") is pleased to announce that it has closed its previously announced non-brokered private placement (the "**Private Placement**") of units of the Company (the "**Units**"), pursuant to which the Company issued 35,151,666 Units at a price of \$0.12 per Unit, for aggregate gross proceeds of \$4,218,199.96.

HydroGraph will use the net proceeds of the Private Placement to increase commercial scale production, continue to invest in business development teams, and develop and advance application partnerships. In particular, the proceeds will provide capital to complete the build out of the Company's modular commercial production cell for fractal graphene, the flagship product, that will produce 1 gram per second. Expected to be complete by 4Q 2022, the difference in output will be orders of magnitude higher than current production. The funding will also initiate the development of the reactive graphene commercial production unit with a 200 kg per day capacity—compared to previously 2-4 kg per day—to be complete in 2023.

"We're very pleased with the overwhelming demand for this financing which will allow us to invest in growing our commercialization team with talent from targeted industries and accelerating sales," said Stuart Jara, Chief Executive Officer of HydroGraph. "The Board and I are appreciative of the support from existing shareholders and our management team, who have all participated in this successful fundraising round."

Each Unit consists of one common share in the capital of the Company (each, a "**Common Share**") and one half of one common share purchase warrant of the Company (each whole warrant, a "**Warrant**"). Each Warrant entitles the holder thereof to purchase one Common Share (each a "**Warrant Share**") at a price of \$0.20 per Warrant Share for a period of 24 months after the closing date of the Private Placement (the "**Closing Date**").

After the statutory hold period of four months and a day from the closing date, each Warrant will be subject to an acceleration right (the "**Warrant Acceleration Right**") exercisable by the Company, if on any ten consecutive trading days the daily volume weighted average trading price of the Common Shares on the Canadian Securities Exchange is \$0.30 or greater per Common Share. If the Company exercises its Warrant Acceleration Right, the new expiry date of the Warrants will be the 30<sup>th</sup> day following the notice of such exercise.

Insiders of the Company subscribed for a total of 5,818,500 Units. The participation of insiders in the Private Placement constitutes a "related party transaction", within the meaning of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company has relied on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of the related party participation in the Private Placement as neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involved the related party, exceeded 25% of the Company's market capitalization (as determined under MI 61-101).

Haywood Securities Inc. and PowerOne Capital Markets Limited (the "**Finders**") acted as finders in connection with the Private Placement. The Company paid a finder's fee equal to equal to 7% of the gross proceeds raised by each Finder, and issued finder's warrants (the "**Broker Warrants**") equal to 7% of the aggregate number of Units issued to the subscribers sourced by each Finder. Each Broker Warrant entitles the holder thereof to acquire one Broker Unit at a price of \$0.12 for a period of two years from the Closing Date, subject to acceleration in accordance with the Warrant Acceleration Right. Each Broker Unit is identical to the Units issued under the Private Placement.

All securities issued in connection with the Private Placement are subject to a hold period of four months and one day from September 14, 2022.

HydroGraph's proprietary and patented detonation process manufactures the highest quality graphene and other strategic materials at the most competitive price points with the lowest environmental footprint in the industry. HydroGraph is the only company in the Americas to be certified by the Graphene Council as a Verified Graphene Producer®, an independent 3rd party certification that validates graphene production facilities, verification of production methods and volumes, and quality control processes.

Samples of HydroGraph's fractal and reactive graphene are available for testing purposes upon request. Interested parties can submit requests through [info@hydrograph.com](mailto:info@hydrograph.com).

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## **About HydroGraph**

HydroGraph Clean Power Inc. was founded in 2017 to fund and commercialize green, cost-effective processes to manufacture graphene, hydrogen and other strategic materials in bulk. Publicly listed on the Canadian Securities Exchange Dec. 2, 2021, the Company acquired the exclusive license from Kansas State University to produce both graphene and hydrogen through their patented detonation process. More information about the Company and its products can be found on the HydroGraph website. [www.hydrograph.com/](http://www.hydrograph.com/)

For company updates, please follow Hydrograph on [LinkedIn](#) and [Twitter](#).

The Canadian Securities Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.

## **Forward-Looking Statements**

*This release contains certain "forward looking statements" and certain "forward-looking information" as defined under applicable Canadian securities laws. Forward-looking statements and information can generally be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "estimate", "upon", "anticipate", "believe", "continue", "plans" or similar terminology. Forward-looking statements and information include, but are not limited to: the use of the net proceeds from the Private Placement, the Company's business plans and strategies.*

*Forward-looking statements and information are based on forecasts of future results, estimates of amounts not yet determinable and assumptions that, while believed by management to be reasonable, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of HydroGraph to control or predict, that may cause HydroGraph's actual results, performance or achievements to be materially different from those expressed or implied thereby, and are developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to: HydroGraph's ability to implement its business strategies; risks associated with general economic conditions; adverse industry events; stakeholder engagement; marketing and transportation costs; loss of markets; volatility of commodity prices; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; industry and government regulation; changes in legislation, income tax and regulatory matters; competition; currency and interest rate fluctuations; and other risks. HydroGraph does not undertake any obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents management's best judgment based on information currently available. No forward-looking statement can be guaranteed, and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements.*