



PRESS RELEASE
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BIOThERMICA :

**FIRST CARBON CREDIT SALE COMPLETED BY A QUEBEC COMPANY ON THE
CALIFORNIA CARBON MARKET**

Montreal, March 17, 2015 – Biothermica, a Montreal company, announced the first sale of 80,766 tons of carbon credits, valued to 860,000\$CDN, on the regulated Quebec-California market. This company also foresees significant financial benefits in the coming years thanks to the technology it has developed to generate these credits.

"We are proud of this first transaction and of our contribution to the fight against climate change. The Quebec-California carbon market has opened the door to many innovative companies like us offering solutions to reduce greenhouse gases (GHG) emissions, "said Mr. Guy Drouin, President of Biothermica.

"Biothermica success clearly demonstrates that the carbon market stimulates innovation, entrepreneurship and Quebec clean technologies expertise. This first transaction on the regulated carbon market is a good example of the export opportunities for Quebec companies offering innovative solutions for greenhouses gas reduction. In addition to promoting economic and sustainable development, the Quebec-California carbon market is an efficient mean to fight together against climate change and thus to ensure a better quality of life for our children ", said Mr. David Heurtel, Minister of Sustainable Development, Environment and the Fight against Climate Change.

These carbon credits sold by Biothermica result from the destruction of methane - a greenhouse gas 25 times more potent than CO₂ - emitted by the ventilation system of Jim Walter Resources (JWR)'s underground coal mine located in Brookwood, Alabama. This carbon project, which operated from 2009 to 2013 using the proprietary Vamox® technology developed by Biothermica, was the first of its kind approved in the United States on an active coal mine. It is the result of significant R&D activities and it has required an investment of some \$ 7 million by Biothermica since 1987. This project would not have been possible without carbon market.



Biothermica plans to install two new Vamox® units on another JWR's ventilation shaft shortly. These units will process a total of 475,000 cubic meters of Ventilation Air Methane (VAM) per hour and produce some 400,000 tons of carbon credits per year that will be sold on the Quebec-California's cap-and-trade market in force since 2014. It's the equivalent of removing about 100,000 cars a year on North American roads.

"Methane emissions vented to atmosphere by underground coal mines represent more than 1% of global GHG emissions and are growing rapidly. It is huge and these emissions are not regulated. For now, the only way to control these emissions is by putting a value on carbon emissions. The Quebec-California regulated carbon market provides this value, allowing companies like Biothermica taking financial risk by installing sophisticated methane destruction devices and thereby encouraging research, development and technological innovations, " explained Guy Drouin.

A global market with huge potential

Carbon credits from Biothermica's project were generated in accordance with the regulations defined by the California Air Resources Board, which has recently adopted a Mine Methane Capture (MMC) protocol applying to projects located in the United States. The company has approached several other US mines to develop new projects.

But Biothermica does not limit its activities to the North American market: the company has set up a development strategy for its Vamox® technology in key countries with large underground coal mines – the US, China, Australia, Ukraine, India, Kazakhstan, Russia - and conducted technical missions in all these countries since 2008, collecting emissions data on several coal mines.

Worldwide, ventilation air methane released by underground coal mine result in GHG emissions exceeding 400 million tons of CO₂ equivalent per year. With about 40 million tons per year, the United States is the world's second largest emitter of such greenhouse gas, behind China and closely followed by Ukraine and Russia.



About Biothermica

Founded in 1987, Biothermica is a leader in the development, financing, construction and operation of methane valorization projects from landfills and underground coal mines. Integrated developer, the company also sells carbon credits and electricity generated by its projects on domestic and international markets. Biothermica has realized projects in North America and Central America. www.biothermica.com

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