



Carbon Neutral Royalty

CARBON NEUTRAL ROYALTY CONFIRMS COMPLETION OF 1,500 HA OF PLANTING AT THE BOKEYPIN MANGROVE RESTORATION PROJECT

FOR IMMEDIATE RELEASE
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London, United Kingdom: Carbon Neutral Royalty Ltd. ("**CNR**" or the "**Company**"), a financing provider for high integrity carbon projects, is pleased to announce that Phase 1 planting of 1,500 hectares ("ha") of mangrove forest at the Bokeypin project, situated on the Tanintharyi coastline of Myanmar, has been completed. CNR is financing this mangrove restoration project with Worldview International Foundation ("**Worldview**").

Myanmar's coastline extends for more than 2,000 km and contains a wide range of diverse coastal ecosystems, including mangroves. The Tanintharyi coastline hosts large areas of degraded mangrove forest with significant areas lost due to logging, charcoal production, agriculture and urban expansion. Mangroves are vital ecosystems which act as effective carbon sinks sequestering up to 10 times more carbon than mature tropical forests per hectare in their carbon-rich soils known as "blue carbon". Mangroves provide a wide range of co-benefits for biodiversity and local populations including water purification, coastal protection from storm surges and increased fish stocks.

Worldview and CNR plan to restore 12,000 ha of mangrove restoration at the Bokeypin project, equivalent to planting an area twice the size of Manhattan. Without restoration initiatives, mangroves within the project area are unlikely to be able to recover. The combined density of newly planted mangroves is assessed to be approximately 2,500 per hectare, meaning there are now an estimated 3,750,000 mangroves growing within this Phase 1 planting area.

Worldview has been investing considerably in local socio-economic development programmes to create community co-benefits to each restoration project aligned with the UN's Sustainable Development Goals. At the Bokeypin project, livelihood activities have been underway including upskilling the local communities for technical expertise related to seed collection, storage, and plantation. Phase 1 planting, which covered 1,500 Ha, has created over 400 jobs from the local communities. This included the collection of 5.3 million propagules from different species of mangrove. Direct seed sowing has been carried out at a spacing of 2 metres by 2 metres, with this spacing designed to promote maximum rates of long-term carbon sequestration.

CNR recently commissioned an independent evaluation at the project as part of its ongoing programme monitoring, and reports received following site visits have been highly encouraging. Initial propagule survival rates have been 96.4% across 36 sample plots.

Restoration has important implications for local biodiversity. At least six individuals of the globally 'critically endangered' mangrove *Brugeria hainessii* have been recorded in the area. Mammals categorized by the International Union for Conservation of Nature ("IUCN") as 'vulnerable' have been recorded including the Finless Porpoise, which is globally threatened, and saltwater crocodiles which are regionally rare. The Lesser Adjutant Stork, a globally 'vulnerable' species, has also been recorded.

The Bokepyin project is currently undergoing registration for listing under Verra's Verified Carbon Standard Program and CNR has been informed by Worldview that this process is nearing completion. Further updates regarding mangrove restoration works at the project and its registration under Verra's Verified Carbon Standard Program will be made available by Worldview in due course.

BLUE CARBON

Blue Carbon, captured by the world's oceans, represents more than 55% of the green carbon (captured by plants). The carbon captured by living organisms in oceans is stored in the form of sediments from mangroves, salt marshes, and seagrasses. It remains stored for millennia unlike other forestry which often stores for only decades. The ocean is the most effective carbon climate mitigator, circulating 83% of global carbon. Its algae production and mangrove shorelines are vital for its contribution to climate restoration and conservation. Mangrove restoration projects which have the highest effect on mitigation, as well as maintaining biodiversity and promoting life-bearing ecosystems, are ten times more productive at sequestering carbon per hectare than terrestrial forests and provide significant co-benefits. Mangroves tend to significantly improve biodiversity by providing a rich habitat for marine and bird nurseries. Fish stocks typically have increased by 50% where mangroves have been restored and directly responsible for the improvement of water quality. Mangroves can stabilize shorelines and guard against erosion, and vegetation cover typically leads to better soil conditions.

WORLDVIEW INTERNATIONAL FOUNDATION

Worldview is considered a global leader in Blue Carbon Project Development. Worldview has pioneered over 600 sustainable development projects in over 25 countries. Worldview specialises in blue carbon and has a globally renowned track record in mangrove restoration, conservation, and holds the world's largest mangrove seed bank. Worldview was founded in 1979 by Arne Fjortoft, a highly reputable conservationist and former leader of the Liberal party in Norway. Worldview plans international expansion across multiple countries, targeting 500,000 hectares of mangrove restoration over the next ten years.

ABOUT CARBON NEUTRAL ROYALTY

CNR was founded in July 2021 and is assembling a high-quality, long life, portfolio of carbon credit streams and royalty projects worldwide with direct socio and environmental outcomes. The Company's objective is to finance high impact projects which can contribute to the fight against climate change while restoring natural habitats.

For further information, please visit our website at www.carbonneutraltd.com

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This news release contains forward-looking statements and forward-looking information within the meaning of United States and Canadian regulations. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budgets", "scheduled", "estimates", "forecasts", "predicts", "projects", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements and information include, but are not limited to, statements with respect to Worldview's and CNR's plan to restore 12,000 ha of mangrove restoration at the Bokepyin project.; 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 CNR to control or predict, that may cause CNR'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: the risk that Worldview and CNR are unable to fulfil its plan to restore 12,000 ha of mangrove restoration at the Bokepyin project as a result of risks associated with the impact of general business and economic conditions; the risk that the Company's carbon stream and carbon credits may not be recognized by applicable government authorities, the risks of carbon credits being traded an emerging marketplace, including risks related to international operations, government and environmental regulation, delays in carbon credit production from the projects on which the Company holds carbon credit interests, actual results of the projects wherein CNR holds carbon credit interests, conclusions of economic evaluations and changes in project parameters as plans are refined; problems related to the ability to market carbon credits, including price fluctuations, interest and exchange rate fluctuations; interpretation by government entities of tax laws or the implementation of new tax laws; regulatory, political or economic developments in any of the countries where properties in which CNR holds a carbon revenue streams or other interest in carbon credits are located or through which they are held; risks related to the operators of the properties in which CNR holds a royalty or carbon stream or other carbon credit interest, including changes in the ownership and control of such operators; risks related to global pandemics, including the novel coronavirus (COVID-19) global health pandemic, and the spread of other viruses or pathogens; influence of macroeconomic developments; business opportunities that become available to, or are pursued by CNR; reduced access to debt and equity capital; litigation; title, permit or license disputes related to interests on any of the properties in which CNR holds a royalty, stream or other carbon credit interest;; competition; future sales or issuances of debt or equity securities; use of proceeds; enforcement of civil judgments; and risks relating to CNR potentially being a passive foreign investment company within the meaning of U.S. federal tax laws; and other risks and uncertainties disclosed in company documentation. CNR undertakes no 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 or information.