



**DELTA CLEANTECH INC.**  
#002, 2305 Victoria Avenue  
Regina, Saskatchewan, S4P 0S7

**ALBERTA SECURITIES COMMISSION**  
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Calgary, Alberta, T2P 0R6

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100 King Street West, Suite 7210  
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**BRITISH COLUMBIA SECURITIES  
COMMISSION**  
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**FINANCIAL AND CONSUMERS AFFAIRS  
AUTHORITY OF SASKATCHEWAN**  
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Regina, Saskatchewan, S4P 4H2

**ONTARIO SECURITIES COMMISSION**  
20<sup>th</sup> Floor, 20 Queen Street West,  
Toronto, Ontario, M5H 3S8

Dear Sirs/Mesdames:

**Re: Delta CleanTech Inc.**  
Material Change Report

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This letter is intended as a statement setting forth certain matters that may be a material change in the affairs of Delta CleanTech Inc. (CSE: DELT) (“**Delta**” or the “**Corporation**”). For convenience, this letter is itemized in the same manner as Form 51-102 F3 of National Instrument 51-102.

**Item 1 – Name and Address of Corporation**

DELTA CLEANTECH INC.  
#002, 2305 Victoria Avenue  
Regina, Saskatchewan, S4P 0S7  
Telephone: (306) 352-6132  
Facsimile: (306) 545-3262

**Item 2 – Dates of Material Change**

The material change occurred on January 24, 2025.

**Item 3 – Publication of Material Change/Press Release**

A press release was issued on January 24, 2025 via Baystreet and Stockwatch, a copy of which is attached hereto as Schedule “A”.



#### **Item 4 – Summary of Material Change**

The Corporation entered into an asset sale agreement with Scovan Inc. (“**Scovan**”) dated January 21, 2025 (“**APA**”). Pursuant to the APA, Scovan will acquire certain assets related to Delta’s liquids, Purification -, CO2 Capture -, and OExperts divisions (“**CO2 Assets**”) for up to an aggregate purchase price of \$1,050,000 (“**Cash Consideration**”), together with project royalties payable of up to \$15,300,000 over a maximum 7-year term.

#### **Item 5 - Full Description of Material Changes**

See news release attached as Schedule “A”.

#### **Item 6 – Reliance on Section 7.1(2) or (3) of NI 51-102**

Not applicable.

#### **Item 7 – Omitted Information**

Not applicable.

#### **Item 8 – Senior Officer**

The name of a Senior Officer of the Corporation who is knowledgeable about the material change and who can be contacted by the Commission is: Jacelyn Case, Chief Financial Officer, telephone (306) 352-6132.

#### **Item 9 – Date of Report**

This report is dated January 24, 2025.



## Schedule "A"

### DELTA ANNOUNCES SALE OF EMISSIONS REDUCTION DIVISIONS

Calgary, Alberta – January 24, 2024 – Delta CleanTech Inc. (“Delta” or the “Company”) (CSE:DELT, FRA: 66C).

Delta is pleased to announce that it has entered into an asset sale agreement with Scovan Inc. (“Scovan”) dated January 21, 2025 (“APA”). Pursuant to the APA, Scovan will acquire certain assets related to Delta’s liquids, Purification -, CO<sub>2</sub> Capture -, and OExperts divisions (“CO<sub>2</sub> Assets”) for up to an aggregate purchase price of \$1,050,000 (“Cash Consideration”), together with project royalties payable of up to \$15,300,000 over a maximum 7-year term (the “Proposed Transaction”).

As the “Delta” name was part of the Proposed Transaction, Delta intends to change its name to better reflect its current business focus.

Mr. Jeff Allison, commented “The strategic merger of Delta’s CO<sub>2</sub> emissions reduction and related purification division with Scovan, will provide the engineering and fabrication capabilities that Delta was missing from its product offering. Closing of the Proposed Transaction will allow the Corporation to move forward with a strong and experienced process design, engineering and fabrication capabilities.”

Scovan is a leader in engineering and project execution for process equipment integration, specialising in the oil and gas and energy transition sectors. Scovan is entering into the Proposed Transaction to further enhance its position in the carbon capture market and to utilize Delta’s recognized skillset and historic experience, innovative technologies and experienced team.

Kelly Mantei, Vice President Operations of Scovan commented: “This deal signifies a new chapter for carbon capture advancement in Western Canada. Delta CleanTech’s products and team are the perfect partner to Scovan’s EPFC services. This partnership enables us to leverage complementary strengths, innovate together, and provide unparalleled value to our clients.”

The board of directors (“Board”) of Delta has approved the Proposed Transaction and management of Delta believes that it is in the best interest of Delta’s shareholder to proceed with the Proposed Transaction as it will offer Delta and its shareholders an opportunity to benefit from the ongoing royalty revenue associated with the process design and fabrication of CO<sub>2</sub> capture infrastructure projects. As part of the sale of the CO<sub>2</sub> Assets, Delta has sold the business name “Delta CleanTech” to Scovan, subject to special shareholders’ approval and approval by the CSE, of a name change from Delta CleanTech Inc. to another suitable name, to better describe the Corporation’s ongoing business activities

No finder’s fee is payable in respect to the Proposed Transaction.

Delta CleanTech Inc. is a 19-year ESG-driven, recognized global technology leader in CO<sub>2</sub> Capture, Decarbonization of Energy, Solvent & Glycol Reclamation, Blue Hydrogen Production, and Carbon



Credit Aggregation and Management. Delta continues to provide solutions to clients all over the world in sequestering, capturing, and reducing CO<sub>2</sub> and through its affiliate, Carbon RX, is originating, validating, digitizing, and streaming Carbon Credits.

For more information contact:

Jeff Allison, President

Phone : 306-352-6132

E-mail : [jallison@deltacleantech.com](mailto:jallison@deltacleantech.com)

### 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 successful completion of the sale of the CO<sub>2</sub> Assets, Scovan's ability to pay the consideration and royalties, at the times when such consideration and royalties become due, and the successful implementation and utilization of the CO<sub>2</sub> Assets, by Scovan, in order to generate revenue from these CO<sub>2</sub> Assets and to pay royalties to Delta. The CSE does not accept responsibility for the adequacy or accuracy of this release.