

ASIA GREEN BIOTECHNOLOGY CORP.

Announces Agreement to Acquire Proposed Duvernay Waste Disposal Company

CALGARY, ALBERTA – August 22, 2024 - **ASIA GREEN BIOTECHNOLOGY CORP.** (CSE: ASIA) (“**Asia Green**” or the “**Company**”) is pleased to announce that it has entered into a non-binding letter of intent (“**LOI**”) dated August 22, 2024 to acquire all of the issued and outstanding common shares of Paladin Services Group Ltd. (“**Paladin**”), a private company that owns a Class II Disposal Well in the Bonnie Glen field area of central Alberta and which has secured disposal commitments from several major producers in the area to inject Class II fluids into the Leduc Formation.

About Paladin’s Duvernay Disposal Facilities

Paladin recently acquired an existing Class II Disposal Well in the Bonnie Glen field of central Alberta. Paladin has also received Crown mineral authorization for Class Ib disposal into the Cooking Lake formation for its proposed waste management disposal facility located near Rimbey, Alberta (Bonnie Glen and Rimbey projects, collectively referred to as the “**Waste Management Facilities**”).

Having recently received Crown mineral authorization, Paladin anticipates drilling a Class Ib well and constructing related facilities at Rimbey in early 2025, subject to completion of the Financing (as defined below).

Paladin has engaged Keystone Field Engineering to assist with applications to the Alberta Energy Regulator (the “**AER**”) and the AER has approved the construction of surface infrastructure at the Bonnie Glen facility. Paladin expects Bonnie Glen to be operational by Q4 2024 and Rimbey by Q2 2025.

The Transaction

Pursuant to the LOI, the Company will issue to the shareholders of Paladin, prior to completion of the minimum Financing described below, approximately 15,053,333 common treasury shares in exchange for all of the issued and outstanding common shares of Paladin (the “**Transaction**”). The final number of common shares to be issued will depend on the actual number of common shares issued by Paladin under the Financing.

It is currently anticipated the Transaction will be structured as a three-cornered amalgamation whereby Paladin shall amalgamate with a newly formed wholly owned subsidiary of the Company. Pursuant to the Transaction, the Company shall:

- (i) Issue to the Paladin shareholders, one common share of the Company for each outstanding Paladin share on the closing date of the Financing and Transaction, being approximately 15,053,333 common shares;
- (ii) Exchange all outstanding stock options held by the directors and officers of Paladin on a one for one (1:1) basis on the same terms as the existing Paladin options, being 2,000,000 options exercisable at \$0.25 until June 30, 2029;
- (iii) Exchange all outstanding warrants of Paladin on a one for one (1:1) basis, on the same terms as the existing Paladin warrants, being 2,005,000 warrants exercisable at \$0.40 until July of 2027; and
- (iv) Cancel all outstanding stock options of the Company.

On closing of the Transaction, assuming completion of the minimum Financing, the shareholders of Paladin will own approximately 90% of the outstanding common shares of the resulting issuer. It is a condition of the closing of the Transaction that a private placement financing for a minimum \$5,000,000 be completed, which can be increased or decreased as determined by Paladin depending on the final capital requirements to complete the construction of the Bonnie Glen facility. Additional conditions, including the execution of a formal agreement, completion of the Consolidation (described below), shareholder approval and receipt of regulatory approval, must be met in order for the Transaction to close. The proposed Transaction will be a reverse takeover of the Company by Paladin and their respective shareholders. The proposed Transaction is not considered a related party transaction.

Concurrent Financing

In conjunction with the closing of the Transaction, Paladin and the Company intend to complete a financing by way of private placement for aggregate minimum proceeds of \$5,000,000 and up to a maximum of \$10,000,000 (the “**Financing**”). It is anticipated the Financing will proceed as a combination of: (i) Paladin common shares at an issue price of \$0.75 for gross proceeds of approximately \$2.5 million and releasable immediately upon closing to fund completion of the Bonnie Glen facility, and (ii) \$2.5 million of subscription receipts issued by the Company (the “**Subscription Receipts**”) at a price of \$0.75 per Subscription Receipt (after giving effect to the Consolidation described below) and will be subject to the rules of, and approval by, the Canadian Securities Exchange (the “**CSE**”). Upon satisfaction of the escrow release conditions relating to the Financing, including all conditions precedent to the closing of the Financing being satisfied, each Subscription Receipt will automatically convert without any further action on the part of the Subscription Receipt holder into one common share of the resulting issuer upon closing of the Transaction.

Debt Conversion

From the Financing proceeds, the Company and or Paladin shall pay \$300,000 to its non-arms length debt holders of the Company currently owed approximately \$450,000, with the remainder of such being converted into common shares of Paladin at a deemed issued price of \$0.25. This will result in the issuance of approximately 600,000 Paladin common shares.

Capitalization

As of the date hereof, the Company has 36,247,100 common shares issued and outstanding. As a prerequisite to closing the Transaction, the Company shall complete a share consolidation of its outstanding common shares on a 15:1 basis (the “**Consolidation**”), resulting in 2,416,473 outstanding common shares of the Company immediately prior to closing.

The anticipated capital structure of the Company after closing of the Transaction will be approximately as follows:

	Minimum Financing (\$5,000,000)	Maximum Financing (\$10,000,000)
Owned by the Company’s shareholders post-Consolidation	2,416,473	2,416,473
Shares to be issued to Paladin pursuant to the Transaction	15,053,333	15,053,333
Shares to be issued under the Financing	6,666,667	13,333,333
Shares to be issued for debt conversion	600,000	600,000
Total Resulting Issuer Common Shares Outstanding	24,736,473	31,403,139

Trading Halt

The Company’s common shares are currently halted and management anticipates they will remain halted until the Transaction has closed.

Go Forward Management

After closing of the Transaction, senior management of the Company will be members of the current management team of Paladin, including Kevin Baumann as President and CEO of the resulting issuer. With decades of experience in the waste disposal industry, Mr. Baumann has a proven track record of success, having founded and grown previous waste disposal companies in Alberta, namely, Producers Disposal and White Swan Environmental, whose assets were later sold for more than \$300 million. Under his leadership, Paladin is positioned to capitalize on this expertise, driving exceptional value creation for investors and stakeholders. The resulting issuer will also include two directors from the Company.

Mr. Baumann, as the founding shareholder, director, and officer of Paladin, commented “As we continue to advance our operations in the Alberta Duvernay play, the development of Paladin's Waste Management Facilities marks a significant milestone. Once completed, these facilities will not only set new standards in environmental responsibility but also be highly accretive to shareholder value. We are confident that our strategic growth initiatives will drive long-term success while delivering meaningful returns for our investors”.

Further information regarding the background of directors and officers of the resulting issuer will be included in a follow-up news release.

Selected Financial Information

Paladin is currently preparing audited financial statements which are expected to be included in the information circular being prepared in connection with the proposed Transaction. Further details will be provided in a future news release.

For further information:

ASIA GREEN BIO-TECHNOLOGY CORP.

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Disclosure

Completion of the Transaction is subject to a number of conditions, including but not limited to, CSE acceptance and, if applicable, disinterested shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

The CSE has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.

This press release contains forward-looking information within the meaning of Canadian securities laws. Such information includes, without limitation, information regarding the completion of the proposed acquisition of Paladin and the Financing; and the anticipated business plan of the resulting issuer subsequent to completion of the transactions described herein. Although the Company believes that such information is reasonable, it can give no assurance that such expectations will prove to be correct. Information disclosed herein regarding the Company is provided by the Company. Information disclosed herein regarding Paladin is provided by Paladin. The parties have not verified the information provided by the other parties.

Forward looking information is typically identified by words such as: believe, expect, anticipate, intend, estimate, forecast, postulate and similar expressions, or are those, which, by their nature, refer to future events. Asia Green cautions investors that any forward-looking information provided by Asia Green are not guarantees of future results or performance, and that actual results may differ materially from those in forward looking information as a result of various factors, including, but not limited to: Asia Green's ability to complete the proposed transaction; the state of the financial markets for Asia Green's equity securities; the state of the market for gold or other minerals that may be produced generally by the resulting issuer in the event the transaction is completed; recent market volatility; Asia Green's ability to raise the necessary capital or to be fully able to implement its business strategies; and other risks and factors that Asia Green is unaware of at this time. The reader is referred to Asia Green's most recent annual and interim Management's Discussion and Analysis for a more complete discussion of such risk factors and their potential effects, copies of which may be accessed through Asia Green's page on SEDAR+ at www.sedarplus.ca.