

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

**ALBERTA SECURITIES COMMISSION**  
250 5 St SW #600,  
Calgary, Alberta, T2P 0R6

**CSE**  
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**  
Suite 601, 1919 Saskatchewan Drive  
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 – Date of Material Change**

The material change occurred on December 31, 2022.

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

A press release was issued on January 4, 2022 via Baystreet and Stockwatch, a copy of which is attached hereto as Schedule “A”.

**Item 4 – Summary of Material Change**

Director Nitin Kaushal resigned due to health and personal reasons.

**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: Jeffrey Allison, Chief Executive Officer, telephone (306) 352-6132.

**Item 9 – Date of Report**

This report is dated January 4, 2023.

## Delta's Year End Business Overview

Calgary, Alberta – January 4, 2023 - Delta CleanTech Inc. (“Delta” or the “Company”) (CSE:DELT, FRA: 66C, OTCQB:DCTIF). Delta’s President and CEO is pleased to provide a 2022-year end update to Delta’s Shareholders and supporters.

Mr. Allison commented, “The future of decarbonization is materializing. There are four main factors that are now driving the industry that are significantly different from past years: (i) **Canadian Carbon Taxation**, which starts at \$50.00 per ton this year and increasing to \$170 per ton by 2030 (*Financial Post Published Dec 15, 2022*); (ii) **Environmental Social Governance** – a public commitment to adopting environmental strategies to reduce their environmental footprint; (iii) **Commercialization of the Capture Technology** – the Delta CO<sub>2</sub> capture technology has been perfected over the last 19 years and is fully commercial, ready to go; and (iv) **Additional Techniques to Utilize CO<sub>2</sub> as a Commodity** – products such as carbon nanotubes, graphene, CO<sub>2</sub> injected concrete, and commercial products such as methanol and ethanol, all help to reduce the eventual cost of emissions reduction.”

Allison added, “The last half of Delta’s fiscal year has started to reflect the market changes that have been driven by the events listed above. Companies have made formal commitments to their shareholders, bankers, and staff to meet these emission reduction goals, and are now taking direct steps to accomplish their objectives. In some cases, companies are now setting up ESG divisions and/or hiring ESG Vice presidents to ensure that these goals are met. Delta has been overwhelmed with new business opportunities, with all of its engineering staff currently fully engaged in paying projects. This is evidenced by our recent published, third quarter financial results, which was much more positive than the first two quarters. These positive financial results are expected to continue into the new fiscal year based on signed contracts Delta currently has on hand. Delta is hiring, on average, one new engineer or project manager per month, and has done so over the last 6 months to enable it to keep up with demand and Delta sees this trend continuing. Delta was successful in establishing its 5 international sales offices (USA, UK, UAE, Australia, and China). All these marketing offices having been bringing qualified business opportunities to Delta.

Delta currently has five projects underway - three in North America and two Internationally and has recently begun its royalty billing process to these customers. Delta also has a substantial number of new business opportunities that are at various stages of commercial development with a portion of these materializing in 2023.

Delta is implementing a number of exciting new business directions and plan to roll these out in 2023, namely:

1. **Methane Destruction** – A methane destruction technology introduction to that will destruct methane and other BTX gases creating CO<sub>2</sub>e carbon credits. This Methanator RX technology is licensed to Delta’s carbon credit origination subsidiary, Carbon RX.
2. **Build Own Operate and Maintain (BOOM)** – CO<sub>2</sub> capture projects that Delta and its partners will own.
3. **Commercial Sale of CO<sub>2</sub> to Commodity Purchasers** – Delta will sell CO<sub>2</sub>, commercially, to meet the increasing demand for CO<sub>2</sub> that is used as a commodity for business operations.
4. **Fluids Management Centres** – Delta will use its r3 patented reclaimer technology to reclaim, recycle and reuse solvents, glycols and other industrial fluids.

In other business, Mr. Allison discussed some changes to the Delta board of directors (“**Board**”): “Delta announces that Nitin Kaushal, a board member since its founding, has announced his resignation from the Board effective December 31, 2022, due to health and personal reasons. The other members of the Board wish to thank Nitin for his contributions to Delta and wish him and his family all of the best in the new year.

Fantastic opportunities await Delta in 2023. Best of the New Year to all.”

[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.ca](mailto:jallison@deltacleantech.ca)

The CSE does not accept responsibility for the adequacy or accuracy of this release.