



HydroGraph Clean Power Inc. Closes \$6,505,000 Private Placement to Fund Commercialization of its Proprietary Hydrogen and Graphene Production Technology

Vancouver, BC, May 13, 2021 /CNW/ - HydroGraph Clean Power Inc. ("HydroGraph" or the "Company"), is pleased to announce that it has closed a private placement for gross proceeds of \$6,505,000 led by PowerOne Capital Markets Limited and Haywood Securities Inc. (the "**Financing**"). HydroGraph is in the process of pursuing a direct listing on the Canadian Securities Exchange.

HydroGraph is actively commercializing their proprietary and patented detonation process to manufacture the highest quality graphene, hydrogen and other strategic materials at the most competitive price points with the lowest environmental footprint within the hydrogen and graphene industries. HydroGraph is the owner of the worldwide exclusive license from Kansas State University ("KSU") to produce valuable clean energy and nanotechnology products through their patented detonation process. This innovative production method produces the most consistent, high quality and cost-effective hydrogen and graphene available.

The proceeds of the Financing will enable HydroGraph to commercialize its patented hydrogen and graphene manufacturing technology and market the end products. The Company is building a new commercial manufacturing facility which will be able to mass-produce HydroGraph's competitive, high quality, green products.

Hydrogen and graphene are expected to be two of the key materials in the global shift towards clean energy. Hydrogen could meet up to 24% of global energy need by 2050, representing an annual market size of \$700 billion (Bloomberg). Graphene demand is growing rapidly at a 38% CAGR as its applications are expanded, expected to be a \$2.8 billion market by 2027 (Fortune Business Insights).

"We are thrilled with today's announcement as it advances our initiative to disrupt the hydrogen and graphene industries by giving the world a brand new, energy efficient, highly controllable process for creating valuable products," stated Harold Davidson, Chief Executive Officer of HydroGraph. "We are grateful for the hard work and support of the many exceptional scientists and engineers at KSU, who have collectively scaled this innovative technology to a daily production of 2kg of high-grade graphene per canister per day using automated manufacturing processes and the continues support of our strategic shareholders. The capital raised will allow us to further scale production towards commercialization. Our R&D efforts will continue at KSU, focused on synthesizing other valuable nanotechnology products, and further automation of our current production technologies."

The Company's new commercial manufacturing facility will be located in Manhattan, KS in close proximity to the Company's R&D facility at the KSU campus. HydroGraph is also in the process

of establishing a Canadian R&D operation in London, ON. Canadian R&D operations will focus on using graphene for new battery technologies and supercapacitors, due to the exemplary electrical conductivity of graphene.

Financing Terms

The Financing consisted of a private placement of 26,020,000 subscription receipts (the “**Subscription Receipts**”) at a price of \$0.25 per Subscription Receipt. Each Subscription Receipt will automatically convert into one subordinate voting common share and one share purchase warrant of the Company. Each warrant will be exercisable for a period of 2 years from the date of conversion to purchase an additional subordinate voting common share at a price of \$0.75 per share. The Subscription Receipts will automatically convert upon the Company receiving a final receipt for a prospectus qualifying the issuance of the shares and warrants on conversion and the Company obtaining conditional listing approval on the Canadian Securities Exchange. The proceeds of the Subscription Receipts offering will be held in escrow pending these conversion conditions being met.

About HydroGraph Clean Power Inc.

HydroGraph Clean Power is a private company that was formed in 2017 to fund and commercialize green, cost-effective processes to manufacture graphene, hydrogen and other strategic materials in bulk, and to create customized graphene solutions for specific applications. HydroGraph owns an exclusive worldwide license to commercialize their patented detonation process to produce graphene and hydrogen. The Company has invested heavily into digitizing, automating and commercializing this production technology. Hydrograph is currently pursuing a direct listing on the Canadian Securities Exchange. For more information on HydroGraph and the Company’s unique technology please visit <https://www.hydrograph.com/>.

About PowerOne Capital Markets

PowerOne is a fully integrated merchant bank and a long-term investor focused on providing early stage capital and advisory services to emerging growth companies. Since inception in 2003, PowerOne has assisted private and public companies across an array of sectors globally. Through a strong reputation in the investment community, broad network within the global markets, a unique "Partnership Approach" to assisting clients and a dedicated group of experienced professionals, PowerOne has been able to offer its clients exceptional advantages. PowerOne is an Exempt Market Dealer and is registered in Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia and Quebec.

About Haywood Securities Inc.

Founded in 1981, Haywood is a 100 per cent employee-owned investment dealer with more than 275 employees in its Canadian offices in Vancouver, Calgary and Toronto. Haywood Securities Inc. is a member of the Toronto Stock Exchange, the TSX Venture Exchange, the Montreal Exchange (MEX), the Canadian National Stock Exchange (CNSX), the Canadian Investor Protection Fund (CIPF), and the Investment Industry Regulatory Organization of Canada (IIROC). In addition, Haywood Securities (USA) Inc., a wholly owned subsidiary, is a broker-dealer registered to transact securities business in the United States and is a member of the Financial Industry Regulatory Authority (FINRA). For more information please Visit: www.haywood.com.

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The forgoing contains forward looking statements which are based on managements best estimates which are subject to uncertainties in particular there is no assurance that the Company will be able to establish its proposed production facilities without requiring additional debt or equity financing which may be dilutive to shareholders. Establishment of manufacturing facilities requires meeting a myriad of zoning, health and safety regulations all of which is uncertain. Acceptance of the Company's products is subject to acceptance by end users and other manufacturers, which cannot be assured particularly with new and advanced technological products.