

Advanced Sustainable Aviation Fuels Gain Momentum as AIR COMPANY Announces Collaboration with Air Canada

As sustainable aviation fuel (SAF) gains recognition as a key tactic to reduce GHG emissions, the news underscores commitment to power-to-liquid SAF as well as Canadian momentum in the technology

Collaboration lays groundwork for delivery of AIRMADE™ SAF to Canada

NEW YORK, (Thursday, July 20 2023) [AIR COMPANY](#), the company converting Earth's excess carbon into a resource for sustainable industrial practices, today announced a strategic collaboration with [Air Canada](#), Canada's largest airline and the country's flag carrier. The collaboration aims to accelerate the development of power-to-liquid sustainable aviation fuel (PtL SAF) in various North American markets by 2025 that will give Air Canada access to SAF that is entirely independent of fossil fuels and aims for the highest reduction in greenhouse gas (GHG) emissions among all sustainable aviation fuels available on the market – targeting a total of 94 percent reduction. This feat is enabled by Air Company's unique power-to-liquid (PtL) pathway that utilizes the company's proprietary catalyst.

Poised to take advantage of the country's abundant renewable energy resources and the availability of green hydrogen tax credits, Air Company and Air Canada also intend to explore development of AIRMADE SAF in Canada. AIRMADE SAF is a fully drop-in SAF that has already been tested with the U.S. Air Force as a 100 percent fuel replacement with no blending. Air Canada joins JetBlue and Virgin Atlantic as part of Air Company's airline ecosystem to help develop and deliver sustainable aviation fuel into North America.

"We have a grand vision for deploying our technology worldwide and we always look for partners to join us in this endeavor," said Gregory Constantine, CEO and Co-Founder of Air Company. "We are thrilled to explore opportunities to bring AIRMADE technology to Canada and to contribute to Air Canada's goal of reaching net-zero. We have been working diligently to accelerate the commercialization of our PtL SAF in order to transition away from our dependency on fossil fuels in the aviation sector."

"We remain focused on seeking innovative, long-term, sustainable GHG emissions reduction solutions for aviation, and SAF is a key pillar in our strategy to achieve our ambitious goal of net-zero GHG emissions by 2050. We look forward to working together with Air Company to explore how to advance new, transformational technologies such as their unique CO₂-derived SAF to scale commercially in Canada," said Michael Rousseau, President & Chief Executive Officer at Air Canada.

Canada has set ambitious net zero GHG emissions targets [premised on the development of several technologies](#), one of which being PtL SAF, a means of fuel production that uses renewable energy to separate hydrogen from water which is then fused with carbon dioxide. With the correct Federal and Provincial policies and incentive market that supports the production of SAF, Canada has the potential to emerge as a world leader in the production and use of energy from renewable resources.

The news follows a series of notable developments for Air Company including a \$65 million contract with the US Air Force. Additionally, the company recently won the NASA Deep Space Food Challenge, which demonstrated the company's ability to create protein out of carbon dioxide and water.

ABOUT AIR COMPANY

Air Company, a world-leading climate technology producer and provider, is paving a pathway to global decarbonization by transforming CO₂ into endless resources via industrial scale applications. Working with nature, rather than against it, our proprietary AIRMADE™ Technology mimics photosynthesis to transform carbon dioxide & water via renewable energy into a suite of innovative carbon-negative products including AIRMADE™ SAF, AIR Vodka, and AIR Eau de Parfum.

The company has commercial partnerships with airlines including JetBlue & Virgin Atlantic, amongst others, and has been awarded multiple government contracts from NASA and the United States Department of Defense. The organization has received industry recognition through awards such as Time Best Inventions, Fast Company World Changing Ideas and the XPRIZE for Carbon Removal.

Air Company is proudly headquartered in New York City and co-founded by Gregory Constantine (CEO) and Stafford Sheehan (CTO). Its team spans a diverse group of world-leading experts in chemistry, engineering, and technological development and deployment. Air Company is backed by capital partners aligned with the company's mission to boldly transform industry including the US Department of Defense, NASA, Toyota Ventures, JetBlue Ventures and Carbon Direct. Learn more at AIRCOMPANY.com

ABOUT Air Canada

Air Canada is Canada's largest airline, the country's flag carrier and a founding member of Star Alliance, the world's most comprehensive air transportation network. Air Canada provides scheduled service directly to more than 180 airports in Canada, the United States and Internationally on six continents. It holds a Four-Star ranking from Skytrax. Air Canada's Aeroplan program is Canada's premier travel loyalty program, where members can earn or redeem points on the world's largest airline partner network of 45 airlines, plus through an extensive range of merchandise, hotel and car rental rewards.

Its freight division, Air Canada Cargo, provides air freight lift and connectivity to hundreds of destinations across six continents using Air Canada's passenger and freighter aircraft. Air Canada aims to achieve an ambitious net zero emissions goal from all global operations by 2050. Air Canada shares are publicly traded on the TSX in Canada and the OCTQX in the US.

Caution Regarding Forward-Looking Information

Air Canada's public communications may include forward-looking statements within the meaning of applicable securities laws. Such statements relate to analyses and other information that are based on forecasts of future results and estimates of amounts not yet determinable. These statements may involve,

but are not limited to, comments relating to guidance, strategies, expectations, planned operations or future actions. Forward-looking statements, by their nature, are based on assumptions, are subject to important risks and uncertainties, and cannot be relied upon due to, among other things, changing external events and general uncertainties of the business of Air Canada. Actual results may differ materially from results indicated in forward-looking statements due to a number of factors, including those identified in Air Canada's public disclosure file available at www.sedar.com and, in particular, those identified in section 18 "Risk Factors" of Air Canada's 2022 MD&A dated February 17, 2023.

Air Canada has and continues to establish targets, make commitments, and assess the impact regarding climate change, and related initiatives, plans and proposals that Air Canada and other stakeholders (including government, regulatory and other bodies) are pursuing in relation to climate change and carbon emissions. The achievement of our commitments and targets depends on many factors, including the combined actions and efforts of governments, industry, suppliers and other stakeholders and actors, as well as the development and implementation of new technologies. Air Canada has incurred, and expects to continue to incur, costs to achieve its goal of net-zero carbon emissions and to comply with environmental sustainability legislation and regulation and other standards and accords. The precise nature of future binding or non-binding legislation, regulation, standards and accords, which is receiving increased focus of multiple stakeholders locally and internationally, cannot be predicted with any degree of certainty nor can their financial, operational or other impact. There can be no assurance of the extent to which any of our climate goals will be achieved or that any future investments that we make in furtherance of achieving our climate goals will produce the expected results or meet increasing stakeholder environmental, social and governance expectations. Moreover, future events could lead Air Canada to prioritize other nearer-term interests over progressing toward our current climate goals based on business strategy, economic, regulatory and social factors, potential pressure from investors, activist groups or other stakeholders. If we are unable to meet or properly report on our progress toward achieving our climate change goals and commitments, we could face adverse publicity and reactions from investors, customers, advocacy groups, or other stakeholders, which could result in reputational harm or other adverse effects to Air Canada.

The forward-looking statements contained or incorporated by reference in this news release represent Air Canada's expectations as of the date of this news release (or as of the date they are otherwise stated to be made) and are subject to change after such date. However, Air Canada disclaims any intention or obligation to update or revise any forward-looking statements whether because of new information, future events or otherwise, except as required under applicable securities regulations.

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