



Innovation for Sustainability

ABOUND Energy and AZUL Energy Announce Strategic and Financial Agreement to Advance Air Cathode Technologies

VANCOUVER, BC, February 26, 2024 / ABOUND Energy Inc. (“**ABOUND**” or the “**Company**”) (CSE: ABND) (OTC PINK:ZAIRF) (FSE:0E9) and AZUL Energy Inc, (“**AZUL**”) are pleased to jointly announce a strategic collaboration where AZUL will engage the research capabilities and development resources of ABOUND, acting as a service provider. This collaboration will further the IP of both parties and develop additional sustainable energy solutions by combining ABOUND's air cathode technology, ZaeroTex™, with AZUL's innovative non-precious metal catalyst technology.

More specifically, the objective of this collaboration agreement is to create a non-precious metal catalyst-coated electrode material, offering a feasible substitute for conventional air cathodes utilizing precious metal catalysts, which are known for their higher cost and diminished durability.

Jason Birmingham, CEO of ABOUND, stated, “We are delighted to announce a significant milestone in ABOUND's strategic journey, as we secure a service contract with AZUL. This accomplishment stands as a testament to our steadfast commitment to innovation and excellence, underscoring the successful implementation of our recently announced business strategy on January 31. Resources from both parties will drive innovation, accelerate research and development, and propel the advancement of our respective technologies. This collaboration also demonstrates our dedication to leveraging ABOUND's intellectual property portfolio to support and expedite the advancement of other technologies.”

ABOUND will provide its expertise regarding ZaeroTex™, an innovative flexible material designed for effectively separating gas and liquid within the fuel cell stacks of Zaeras™. This technology plays a pivotal role in optimizing cathode performance, thus contributing significantly to the evolution of the Zaeras™ Energy Storage Technology.

"ABOUND looks forward to advancing our next-gen cathode technology AZUL's innovation. We're confident AZUL's non-precious metal catalyst will help further reduce material costs for our air cathode. This collaboration will contribute to lowering the \$/kWh cost of Zaeras™, already positioned competitively in the energy storage market," stated **Mr. Keith Morlock, COO of ABOUND**. “By leveraging ABOUND's strategic investments in our facilities, we have been able to successfully expand into Testing and Development services, capitalizing over a decade of proficiency in energy storage technology. This milestone reflects our proactive strategy, and as we propel the advancement of Zaeras™ LDES technology, it marks a pivotal moment for ABOUND.”

With a commitment to maximizing the potential of the 'Air Battery' using their AZUL catalyst technology, AZUL will bring its extensive knowledge and experience to drive advancements in catalyst and cathode technologies.

Both companies share a common vision of promoting clean energies and realizing a sustainable energy economy. **Koju Ito, CEO of AZUL**, stated, “This partnership not only expands our market footprint in

energy storage technologies and increases our visibility in international markets, particularly in North America that is the largest LDES market but also underscores our commitment to making significant strides in the clean energy market”

The collaboration between ABOUND Energy and AZUL Energy is effective as of April 1, 2024 for 12-month. Both companies are excited about the possibilities that this collaboration brings and look forward to pushing the boundaries of innovation in the pursuit of sustainable and clean energy solutions.

About AZUL Energy Inc.

Established in 2019, AZUL Energy is developing high-performance non-precious metal catalysts invented by Tohoku University for next-generation energy systems. Although precious metal catalysts such as platinum are used in hydrogen energy systems and are expected to reduce CO₂ emissions, they are costly and have significant resource constraints. AZUL Energy’s catalysts are lower cost and free of resource constraints, contributing to a more sustainable society

About ABOUND Energy Inc.

ABOUND specializes in developing scalable, environmentally friendly, long-lasting energy technology. Our patented Zaeras™ long-duration energy storage technology, leveraging zinc-air chemistry, guarantees the storage and on-demand delivery of electricity without the limitations or environmental risks associated with current market leaders.

About ABOUND’s Zaeras™ Technology

Zaeras™ is precision-engineered to meet future energy requirements, with a specific emphasis on simplifying long-duration energy storage. Harnessing the potential of its multi-patented Zaeras™ technology, ABOUND is poised to facilitate the seamless integration of green energy sources into the grid. This is achieved by minimizing curtailment, bridging the gap between supply and demand, and efficiently integrating green energy into the grid. ABOUND's strategic initiatives encompass opportunities for peak demand reduction, leveraging time-of-use arbitrage, participating in value stacking programs, and entering the distributed long-duration energy storage sector. These endeavors are aligned with our central objective of increasing the integration and resiliency of green energy, while stabilizing the grid.

Distinguished by its inherent safety—free from fire or explosion hazards—Zaeras™ guarantees sustained capacity over an extensive lifecycle. Simultaneously, it showcases versatility by independently managing charge and discharge operations. Comparable to other Flow Battery technologies, scaling up the energy capacity of Zaeras™ is as simple as increasing the size of the fuel tank; a cost-effective solution, from kWh to MWh. This is a welcome alternative to the fixed power-to-energy ratio constraints ingrained in traditional systems, such as Li-ion and Zinc Hybrid Batteries.

To learn more about ABOUND’s technology, please visit: <https://Abound.Energy>

For more information please contact:

ABOUND Energy Inc.

Email: Investors@Abound.Energy

Ph: +1 (672) 887-9688

AZUL Energy Inc.

Email: contact@azul-energy.co.jp

Notice Regarding Forward Looking Statements

All statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that ABOUND anticipates or expects may or will occur in the future (in whole or in part) should be considered forward-looking statements.

Forward looking statements in this press release include that we may be able to continue as a going concern, that we will be able to complete the offering as described herein, that we can continue to develop a dependable low-cost zinc-air battery; that our mass storage system offers both environmental and efficiency benefits; that we can execute on our business plan as stated herein; and that we can help meet the needs for secure and reliable power. ABOUND Energy believes the material factors, expectations and assumptions reflected in the forward-looking statements are reasonable at this time, but no assurance can be given that these factors, expectations and assumptions will prove to be correct. The forward-looking statements included in this news release are not guarantees of future performance. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements including, without limitation: that we will not be able to secure funding in a timely manner and will not be able to continue operations; that the offering may not be completed as described herein or at all, that the Company may be required to seek creditor protection, may initiate liquidation proceedings or other divestitures of its assets; the Company will not be able to pay its debts as they become due or at all; that shareholders may lose their entire investment; our Company will be able to continue as a going concern; that we will not be able to reduce operating expenditures as needed; that we may not be able to execute on our business plan as expected or at all; that ABOUND may not qualify for, or even if it does qualify, will not receive, funding from government agencies; that our technology fails to work as expected or at all; that our technology proves to be too expensive to implement broadly; that customers do not adapt our products for being too complex, costly, or not fitting with their current products or plans; our competitors may offer better or cheaper solutions for battery storage; general economic, market and business conditions; increased costs and expenses; inability to retain qualified employees; our patents may not provide protection as expected and we may infringe on the patents of others; that ABOUND may not open a manufacturing facility; and certain other risks detailed from time to time in ABOUND's public disclosure documents including the Company's most recently filed Annual Information Form and Management Discussion and Analysis, copies of which are available on the Company's SEDAR+ profile at www.sedar.com. Readers are cautioned that the foregoing list of factors is not exhaustive and are cautioned not to place undue reliance on these forward-looking statements.

This news release may contain certain "forward looking statements". Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Any forward-looking statement speaks only as of the date of this news release and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise.