

# **Selling carbon credit futures by way of a convertible note, dynaCERT offers an innovative way to raise capital**

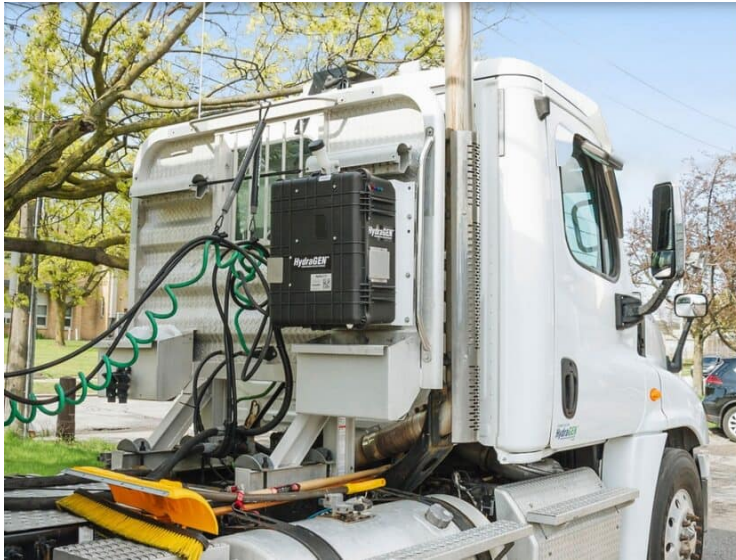
written by Tracy Weslosky | December 6, 2022

We all know that companies can sell our data and how valuable data has become. Now a company is aiming to sell 'emissions reductions data in the form of carbon credit futures'.

[dynaCERT Inc.](#) (TSX: DYA | OTCQX: DYFSF) recently [announced](#) a unique way to raise capital by selling up to CAD\$10M of Carbon Credit Convertible Notes. The concept is quite simple. dynaCERT's will issue a convertible note that is convertible into carbon credit 'futures' after 5 years, so is effectively raising capital from the future carbon credit proceeds to come from the carbon credits potentially earned by dynaCERT's emission reduction product, HydraGEN™.

dynaCERT's HydraGEN™ system and HydraLytics™ software creates hydrogen and oxygen on-demand through a unique patented electrolysis system and supplies these gases through the air intake of internal combustion engines to enhance combustion, resulting in lower carbon emissions and greater fuel efficiency. The main target market is heavily polluting diesel engines. HydraLytics™ is able to create the data to show the carbon reduction/credit. (see [video](#) 3 minute 50 second mark)

**dynaCERT's HydraGEN™ hydrolysis unit reduces emissions and improves fuel efficiency**



## Reducing Greenhouse Gases

Our Green Initiative focuses on reducing the amount of Greenhouse gases (GHG) emitted by the combustion of carbon based fuels. Our technology works with internal combustion engines used for industrial production processes, such as power generation, and for transportation, which includes tractor-trailers, rail, marine and off-road construction equipment. As more opportunities open for us to validate our technology, the more impact we will have in these areas.

Reducing the amount of GHGs provides benefits to the environment, to communities, to businesses and to our shareholders.

Source: [dynaCERT website](#)

The dynaCERT announcement [stated](#): “The offering is not convertible into the Company’s common shares and is non-dilutive to shareholders of the Company. Each Carbon Credit Convertible Note is priced at \$1,000 (Canadian) with a maturity date of ten (10) years after the date of issue. Commencing at the fifth (5<sup>th</sup>) anniversary after the date of issue, the Carbon Credit Convertible Notes will be convertible, at any time thereafter, at the option of the holder, into Carbon Credits generated by *dynaCERT*’s proprietary HydraGEN™ Technology. The Carbon Credit Convertible Notes are currently designed to be offered as a non-brokered private placement to institutional investors that wish to be the first to gain long term exposure to Carbon Credits.....”

The ‘methodology’ of the Carbon Credit Convertible Notes has been approved by [VERRA](#); however full approval is still in the final stages as you can read [here](#). VERRA certify and manage the world’s leading voluntary carbon markets program, the Verified Carbon Standard (VCS) Program. VERRA [state](#): “The Verified Carbon Standard (VCS) Program is the world’s most widely used greenhouse gas (GHG) crediting program. **It drives finance toward activities that reduce and remove emissions,** improve

livelihoods, and protect nature.....”

Jim Payne, President, CEO, and Director of dynaCERT, [stated](#):  
“Carbon Credit Convertible Notes are an innovative structure offering premium Carbon Credit futures **derived from measured and verified emission reductions from the data received from internal combustion engines.**”

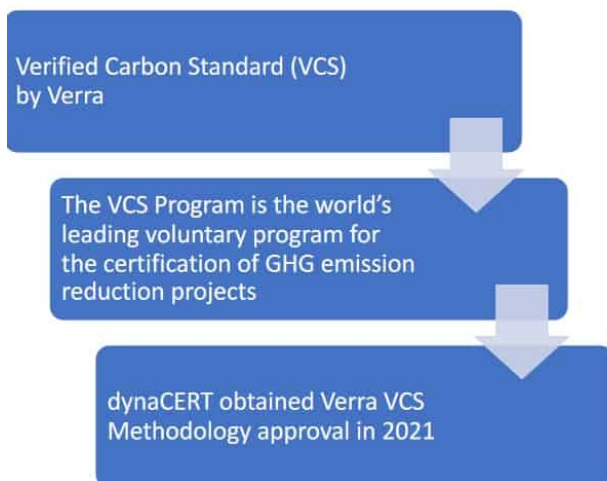
*Note: Bold emphasis by the author.*

Quite amazing that the ‘data showing emissions reductions’ nowadays potentially qualifies for carbon credits.

**dynaCERT obtained VERRA Verified Carbon Standard ‘methodology’ approval in 2021**



## Verra Carbon Credits



Source: [dynaCERT company presentation](#)

dynaCERT plan to use the raised funds towards “working capital of its currently available HydraGEN™ Technology business and fulfill timely delivery of sales of its products and to expedite current and new potential deliveries globally.”

## **dynaCERT is making inroads with sales into the mining industry**

dynaCERT's emission reduction HydraGEN™ product continues to gain traction in terms of sales into the mining industry. The mining industry is under significant ESG pressure to reduce emissions. As [announced](#) on November 15, 2022, dynaCERT's distributor has reported sales and/or pilot trials with multiple leading global mining companies including Vale, Codelco, Nexa Resources, Arauco, Antamina, and a Mexican multinational food processing and distribution company Sigma Alimentos.

dynaCERT is also working on technology to develop Green Hydrogen (5:30 mark in the [video](#)), but we will leave that story for another day.

### **Closing remarks**

Selling carbon credit futures by way of a convertible note is certainly an innovative way to raise capital. It potentially indicates a very strong demand by carbon emitting companies to be able to buy carbon credits (in this case carbon credit futures) to help offset their carbon emissions, otherwise face hefty fines.

InvestorIntel will circle back and keep investors updated on this one and see how dynaCERT goes with their offering.

You can learn more by watching the recent dynaCERT CEO video interview moderated by Byron W King [here](#).

dynaCERT trades on a market cap of C\$69 million.

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# Jim Payne of dynaCERT talks about creating fuel efficiency and generating carbon credits

written by InvestorNews | December 6, 2022

In this InvestorIntel interview with host Tracy Weslosky, [dynaCERT Inc.](#)'s (TSX: DYA | OTCQX: DYFSF) President, CEO, and Director Jim Payne talks about its patented technology for carbon emission reduction to meet ESG goals.

In the interview, which can also be viewed in full on the InvestorIntel YouTube channel ([click here to access InvestorChannel.com](#)), Jim tells Tracy that “dynaCERT was going to be at the forefront of the carbon credit world long before even carbon credit was something anybody was talking about.” He explains how *dynaCERT's* Carbon Emission Reduction Technology (CERT) creates hydrogen and oxygen on-demand through a unique electrolysis system and supplies these gases to engines to enhance combustion, resulting in lower carbon emissions and greater fuel efficiency. Jim says that dynaCERT has been working with Verra, the largest governing body to approve and register carbon credits, for over two years.

Talking about commercializing and expanding dynaCERT's customer base, Jim continued, “we have some of the largest companies in North America that have been talking to me for quite some time. They want they want the carbon credits, they want the bragging rights, they want to be able to say that they have adopted our technology for the carbon credits.” These include municipalities in Canada and in Europe and some of the largest power supply companies in Canada, and also fleets of diesel vehicles. “We improve the fuel economy, more importantly we reduce the emissions right at the source, right at the combustion and we

reduce the emissions north of 50 percent,” he says. “By adopting our technology they meet and exceed their goals for the emission reductions, so there’s a lot of excitement there.”

To access the full InvestorIntel interview, [click here](#).

Don’t miss other InvestorIntel interviews. Subscribe to the InvestorIntel YouTube channel by [clicking here](#).

### **About *dynaCERT Inc.***

*dynaCERT Inc.* manufactures and distributes Carbon Emission Reduction Technology for use with internal combustion engines. As part of the growing global hydrogen economy, our patented technology creates hydrogen and oxygen on-demand through a unique electrolysis system and supplies these gases through the air intake to enhance combustion, resulting in lower carbon emissions and greater fuel efficiency. Our technology is designed for use with many types and sizes of diesel engines used in on-road vehicles, refrigerated trailers, off-road construction, power generation, mining and forestry equipment, marine vessels and railroad locomotives.

To know more about *dynaCERT Inc.*, [click here](#)

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If you have any questions surrounding the content of this interview, please contact us at +1 416 792 8228 and/or email us direct at [info@investorintel.com](mailto:info@investorintel.com).

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**dynaCERT wins during COP26  
with renewed support for its**

# emissions reduction technology

written by InvestorNews | December 6, 2022

Whether it be COP26 or the recent company news, 'emissions reduction' company [dynaCERT Inc.](#) (TSX: DYA | OTCQX: DYFSF | FRA: DMJ) stock price leaped 42.86% higher on the Toronto Stock Exchange yesterday. Since the COP26 conference began on October 31 the stock has moved up from C\$0.22 to C\$0.40, for a 82% gain the past 3 days. Now that's impressive!

Of course InvestorIntel readers may not be surprised, as we [published](#) "dynaCERT's Carbon Emissions Reduction Technology (CERT) is revved and ready, as the world eyes the upcoming UN Climate Change Conference in Glasgow for updates on emissions reductions commitments" back on September 2, 2021.

**dynaCERT (TSX: DYA) was up 42.86% yesterday**

On November 1, 2021, dynaCERT [announced](#) that their distributor CarbonKleen has reported "Sofina will expand their installation of *dynaCERT's* Technology from four (4) HydraGEN™ Technology units to twenty (20) units, with a goal of using *dynaCERT's* patented technology to improve the efficiency and reduce harmful emissions of diesel-powered engines." Sofina Foods will be installing this technology as part of their ongoing commitment to continuously improving the environmental impact of their operations and products.

[Sofina Foods Inc.](#) is a Canadian based manufacturer of processed animal products. Sofina is privately owned and dedicated to providing great tasting, high quality food products for retail and food service. Sofina acquired Lilydale in a C\$130 million deal in 2010 and Santa Maria Foods ULC (an importer and distributor of specialty Italian brands) in 2012.



dynaCERT President & CEO, Jim Payne, [stated](#): “*dynaCERT* congratulates the entire team at Sofina Foods for taking important steps towards contributing to Sustainability as it relates to Climate Change. *dynaCERT* applauds both KarbonKleen and Sofina Foods for their uncompromising commitment to innovative technologies that reduce emissions in internal combustion engines. Our patented HydraGEN™ Technology and HydraLytics™ software is well-suited for Sofina Foods and is a testimony of their rising efforts in contributing to solutions to Climate Change....”

### **Could the Sofina deal lead to a windfall of new customers for dynaCERT**

Certainly 2021 has seen many announcements of companies wanting to go green and reduce their emissions. While not every business can afford or justify buying new electric vehicles, millions of global businesses can afford to install dynaCERT’s HydraGEN™ emission reduction system on their existing combustion vehicles or generators, especially those using diesel. That’s because the system can be retrofitted and as well as reducing emissions it improves fuel efficiency. Furthermore, the HydraLytics™ software allows companies to see on their computers or cell phones exactly how much CO2 they are generating for any particular truck or diesel engine. A win-win for the Company and also for dynaCERT.

### **dynaCERT’s extensive global distribution for its products**

dynaCERT has numerous collaborations and partnerships, including [45 qualified agents and dealers operating in 44 countries](#) worldwide, with a potential market size of [one billion vehicles](#). In particular, polluting large heavy vehicles (trucks, buses, mining vehicles etc) running on diesel are prime potential beneficiaries. Fleets can also benefit by reducing emissions and

saving on fuel costs.

Some examples of dynaCERT's agents/dealers/alliances include KarbonKleen (mentioned above), 6TAVADA LDA (Portugal), SSiE (Canada), ESAMETAL S.r.l. (Italy), SIMMAX Power Generation (Canada), Simply Green Ltd (Canada), GridFix, (Australia), and ACR Industrial Supplies (Colombia and Peru).

**dynaCERT's potential global market for its products is enormous (includes 1 billion existing combustion engine vehicles and millions of trucks)**

### **More about dynaCERT**

dynaCERT's patented technology (HydraGEN™system and HydraLytica™ software) creates hydrogen and oxygen on-demand through a unique patented electrolysis system and supplies these gases through the air intake of internal combustion engines to enhance combustion, resulting in lower carbon emissions and greater fuel efficiency. dynaCERT's technology is designed for use with many types and sizes of diesel engines used in on-road vehicles, reefer trailers, off-road construction, power generation, mining and forestry equipment, marine vessels and railroad locomotives.

### **Closing remarks**

The COP26 climate change conference on now in Glasgow has been highlighting the need to take urgent action to save our planet. The recent example of Sofina Foods purchasing dynaCERT's emissions reduction technology is just one small example of how change can happen.

dynaCERT's technology was 17 years in the making with C\$70 million invested, all leading up to now. The Company trades on a market cap of C\$152 million which gives an opportunity for further gains should more of the 1 billion combustion engine owners decide to reduce emissions. Let's hope COP26 is just the

beginning of an avalanche of new purchases for dynaCERT's products and we can move towards a cleaner world.

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## ESG Investors look to Nano One as a connector in a sustainable future

written by InvestorNews | December 6, 2022

If you follow Jack Lifton on InvestorIntel you'll have a pretty good idea that the dream of replacing all the internal combustion engines on the road today with battery electric vehicles (BEVs) is more of a fantasy than a reality based on today's technology. The demand for raw materials, in particular lithium, just doesn't add up. Jack does a great job of explaining the math in his [Lithium by the numbers](#) article from earlier this month with a follow up to hammer the point home in [Lithium: The Haves and the Have Nots](#) from last week. In summary, the first article suggests that even if lithium production doubles by 2025 (which producers say they can do), that will only get the world to roughly 10% of annual car production being BEVs. The latter article states "There is not even the remotest possibility that [global lithium \(measured as metal\) production](#) could grow to this week's prediction, for example, by the child-like prognosticators at Deloitte, that in 2030 32% of all newly manufactured motor vehicles would be battery electric vehicles (BEVs)."

I think it's safe to say that most reasonable people around the world agree that reducing emissions is a positive step for

humanity. But how do we think as a global community that we can achieve these goals in light of some pretty serious shortfalls in the basic building blocks to making this happen? Obviously, technology has to be the answer. We have to be more efficient with the resources we've got if we want to have any chance at not only meeting the political goals of carbon reduction but also avoiding the often unwitnessed reality of destroying the earth by mining every possible resource required to achieve those goals.

The good news is that there is already a company out there working on technology to improve lithium-ion batteries. [Nano One Materials Corp.](#) (TSX: NANO) is a technology company with a patented and scalable industrial process for the production of low-cost, high-performance cathode powders used in lithium-ion batteries. These unique materials are being designed to add value to electric vehicles and grid storage batteries in the global push for a zero-emission future. Nano One's patented manufacturing technology – the “One Pot Process” – streamlines the production process and thereby reduces cost while enabling higher performance cathode materials as compared to the standard manufacturing process. Last year the Company announced the development of a coated, [single crystal cathode material](#) for lithium-ion batteries that provides up to 4 times improvement in longevity. Granted this doesn't necessarily reduce initial demand for lithium but it certainly helps to put less stress on the supply chain going forward.

With that said, last month Nano One announced [three new patents](#) issued and allowed in Canada, the US and China. Notably coverage for a novel method for phosphate stabilizing of lithium-ion battery cathodes. An important, low-cost durability improvement to lithium nickel manganese oxide (LNMO) cathode material which delivers energy and power on par with other high-performance cathodes and is more cost-effective because it is

cobalt-free, low in nickel and does not require excess lithium. LNMO also has an operating voltage that is 25% higher than commercial high nickel cathodes, enabling fewer cells in applications such as power tools and electric vehicles while providing improved productivity, efficiency, thermal management and power. So no cobalt, less nickel and ultimately less lithium given you don't need as many power cells.

And then there's the other unintended consequence of moving towards a lower carbon future, the supply chain. Currently, the cathode supply chain is long and complex. Nano One technology enables [cathode materials](#) to be manufactured directly from nickel, manganese, and cobalt metal feedstocks in the form of metal powders, metal carbonates and other salts rather than metal sulfates. Metal powders are one-fifth of the weight of metal sulfates, avoiding the added costs, energy, and environmental impact of converting to sulfate and shipping and handling of waste. Nano One's technology aligns it with the sustainability objectives of automotive companies, investment communities and governmental infrastructure initiatives. It also offers an opportunity for metals refiners to provide environmentally, and sustainably mined sources of nickel ore to integrate and manufacture cost-reduced value-added cathode powders for direct supply to battery manufacturers.

In summary, Nano One appears to have the right technology at the right time. On top of that, the Company does it all with a lower overall carbon footprint than many, if not all, of its peers. In my opinion, the latter concept still isn't valued as high as it should be given as most ESG investors appear to be focused on top line carbon impact, and rightfully so given that policymakers haven't really made it an issue yet. In the meantime, as Jack Lifton educates the world that BEVs in every driveway may be a fallacy in our lifetime utilizing current technology, here's a company that could perhaps help make it

more of a reality.