

Xebec's First Italian Renewable Natural Gas Project is Operational *-Biogas to biomethane plant turns waste into renewable energy-*

MONTREAL, (QC), January 31st, 2019 – Xebec Adsorption Inc. (TSXV: XBC) (OTC: XEBEF) (FRANKFURT: XB6) (“Xebec”), a global provider of clean energy solutions is pleased to announce that its first project in Italy – a biogas upgrading plant in Modena, Italy - is now operational. The AIMAG installation is successfully producing revenue-generating pure biomethane, also known as renewable natural gas (RNG), for injection into the local gas grid of AS RETIGAS. The biogas is produced from the anaerobic digestion (AD) of source-separated municipal organic waste.

Environmental engineering and construction company Atzwanger AG-SpA chose Xebec as its upgrading supplier after extensive evaluation of various technologies. Xebec's innovative Pressure Swing Adsorption (PSA) technology was selected as the most reliable, cost effective and simple solution.



The AIMAG installation in Modena featuring Xebec's Biogas Upgrading System

Similar RNG projects are developing throughout the EU, driven by both environmental regulations and government incentives. As an example, the Italian Government recently identified the transportation sector as a primary end user for RNG. It has set aside Euro 4.7 billion (CDN\$7.4 billion) in incentives to aid large gas consumers as well as incentives for biomethane in transport. Since announcing these incentives, Italy's gas operator, SNAM, has received more than 800 requests from potential biomethane producers to connect their upcoming biomethane

production sites to the existing gas grid, indicating a market size for biogas upgrading equipment in excess of CDN\$ 1.5 billion over the next 3 to 5 years.

“This brand new dry-digestion-plant of organic waste is one of the first in the country to feed biomethane into a public grid thanks to the vision and determination of our client AIMAG, and one of the fastest ever built thanks to our key partners Xebec and Strabag.”

- *Dr. C. Atzwanger, Managing Director, Atzwanger AG-SpA*

“We’re delighted to have this first Xebec upgrading system operating in Modena, proving our system’s performance and reliability in Italy. Xebec is already a market leader in France with over 20 PSA systems delivering consistent, quality RNG to customers. Italy is strategically becoming the second key market for Xebec in Europe.”

Dr. Francesco Massari, General Manager, Xebec Europe

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About Xebec Adsorption Inc.

Xebec Adsorption Inc. is a global provider of gas generation, purification and filtration solutions for the industrial, energy and renewables marketplace. Its customers range from small to multi-national corporations and governments looking to reduce their carbon footprints. Headquartered in Montreal (QC), Xebec designs, engineers and manufactures innovative and transformative products, and has more than 1,500 customers worldwide. With two manufacturing facilities in Montreal and Shanghai, as well as a sales and distribution network in North America, Europe, and Asia, Xebec trades on the TSX Venture Exchange under the symbol XBC. For additional information on the company, its products and services, visit Xebec at xebecinc.com.

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