

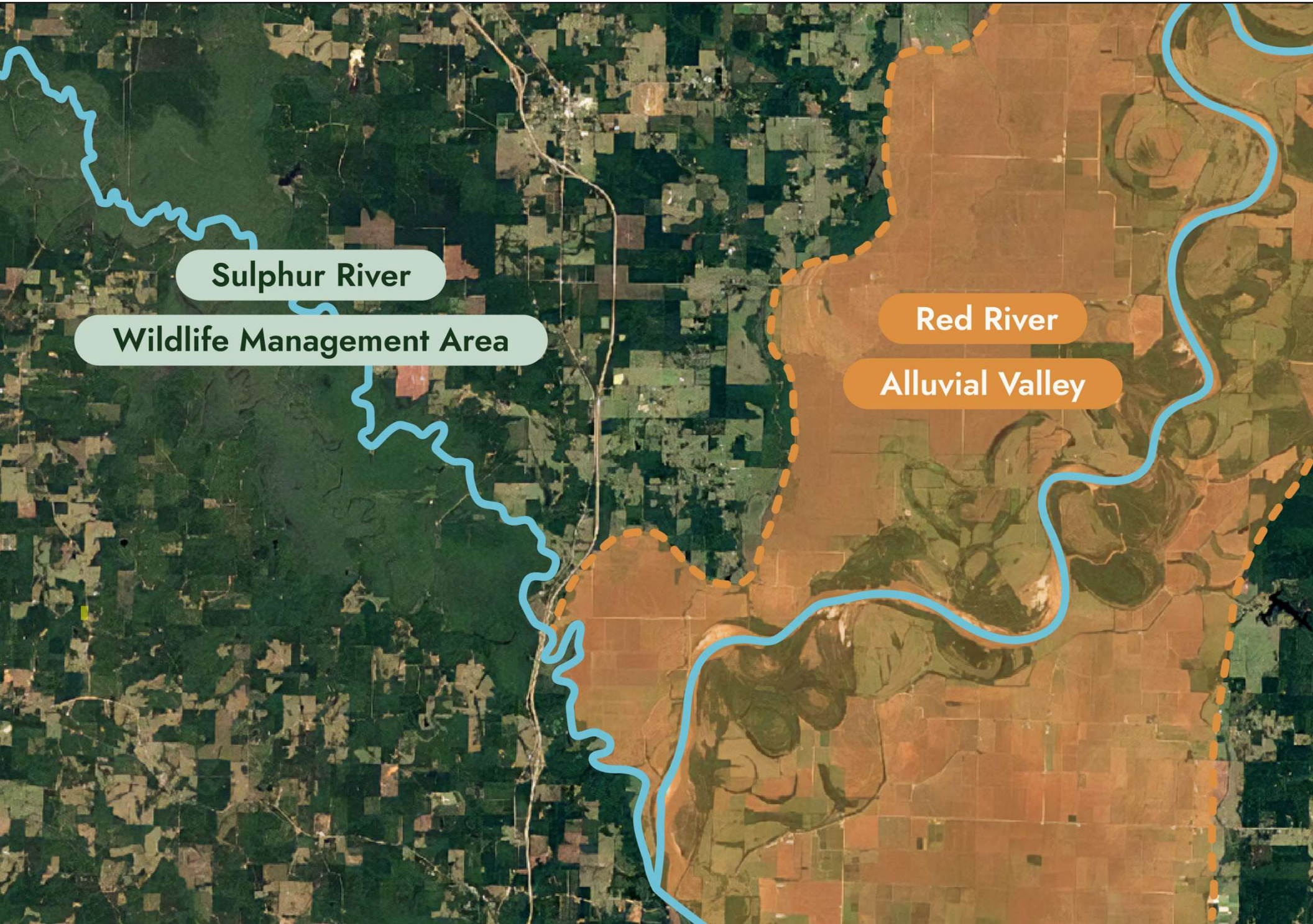
The logo for Carbon Rho features a large, bold, green letter 'C' enclosed within a black square frame. The frame is partially open on the top and bottom sides. Thin black lines extend from the corners of the frame, creating a crosshair effect.

CARBON RHO

PARTNERING WITH LANDOWNERS

*to capture the value of natural
assets, and provide access to the
carbon credit trading market*

WHY REMOVALS IN THE RED RIVER BASIN



Sulphur River

Wildlife Management Area

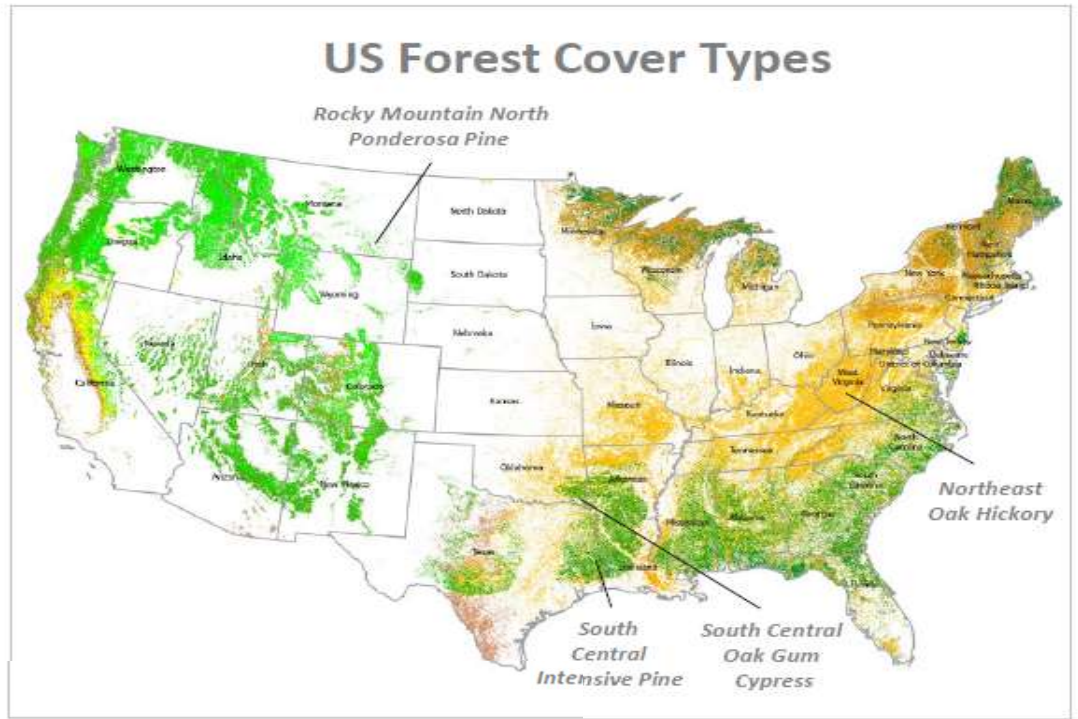
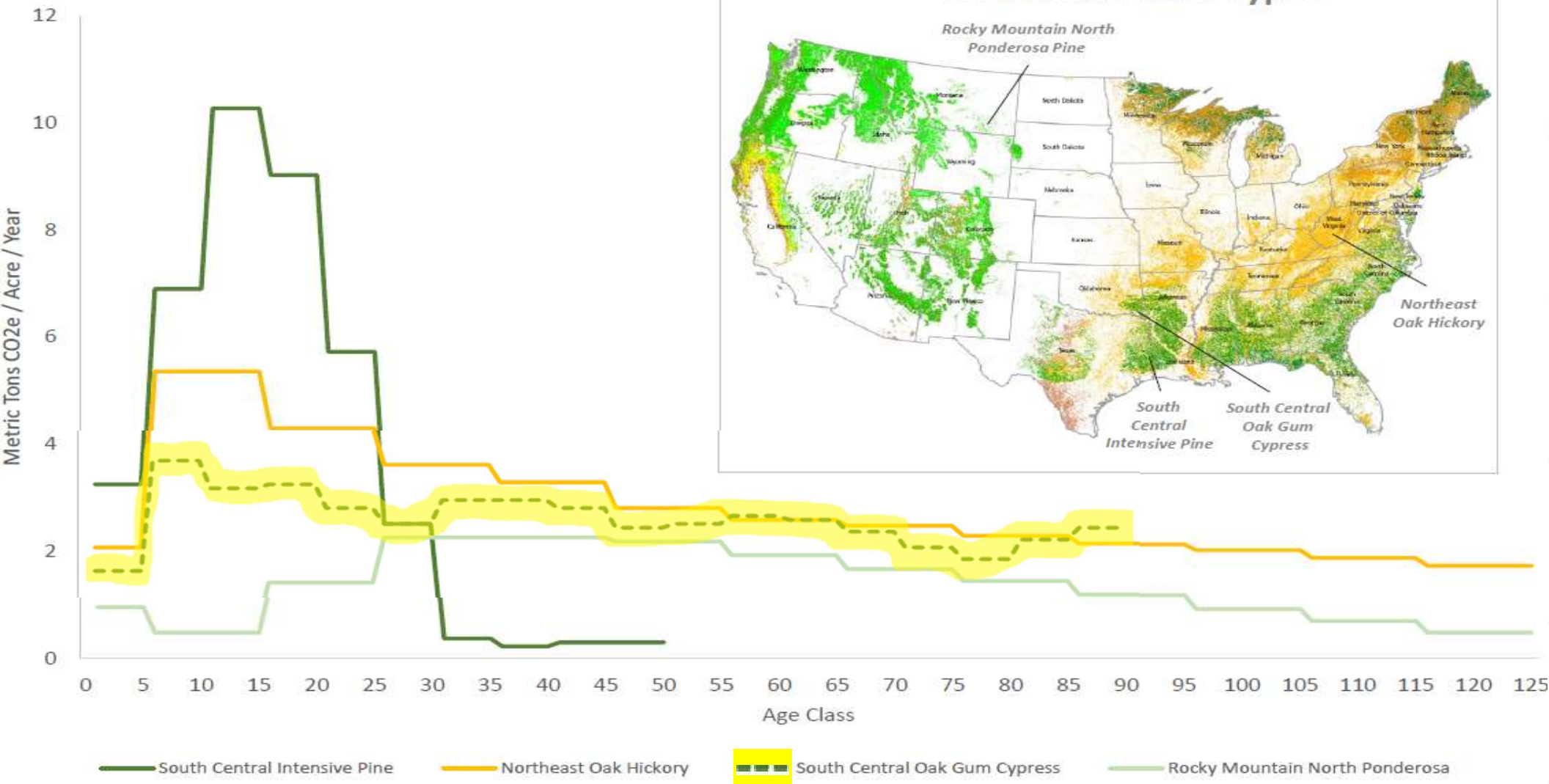
Red River

Alluvial Valley

WHY REMOVALS IN THE RED RIVER BASIN

Forest Carbon Annual Sequestration Rates for Select Forest Types

Metric Tons CO₂e / Acre / Year



Source: USFS



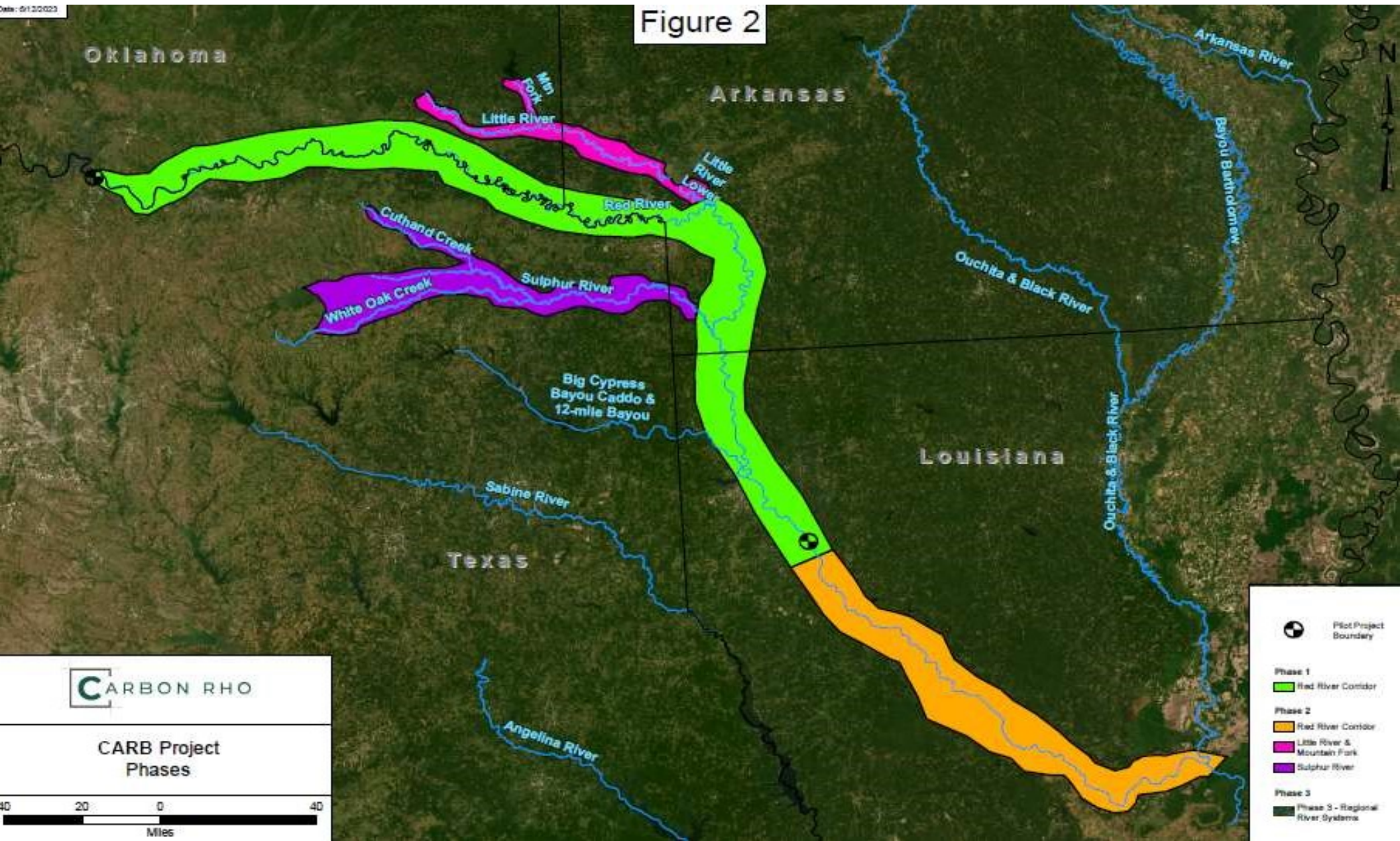
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Mt	Ds	Rg	Cn	Nh	Fl	Mc	Lv	Ts
(275)	(281)	(282)	(285)	(286)	(289)	(289)	(293)	(294)
Mercury	Darmstadtium	Rutherfordium	Copernicium	Nihonium	Flerovium	Moscovium	Livermorium	Tennessine

PROJECT AREA

Date: 01/20/2023

Figure 2



CARBON RHO

CARB Project Phases

40 20 0 40
Miles

C
CARBON

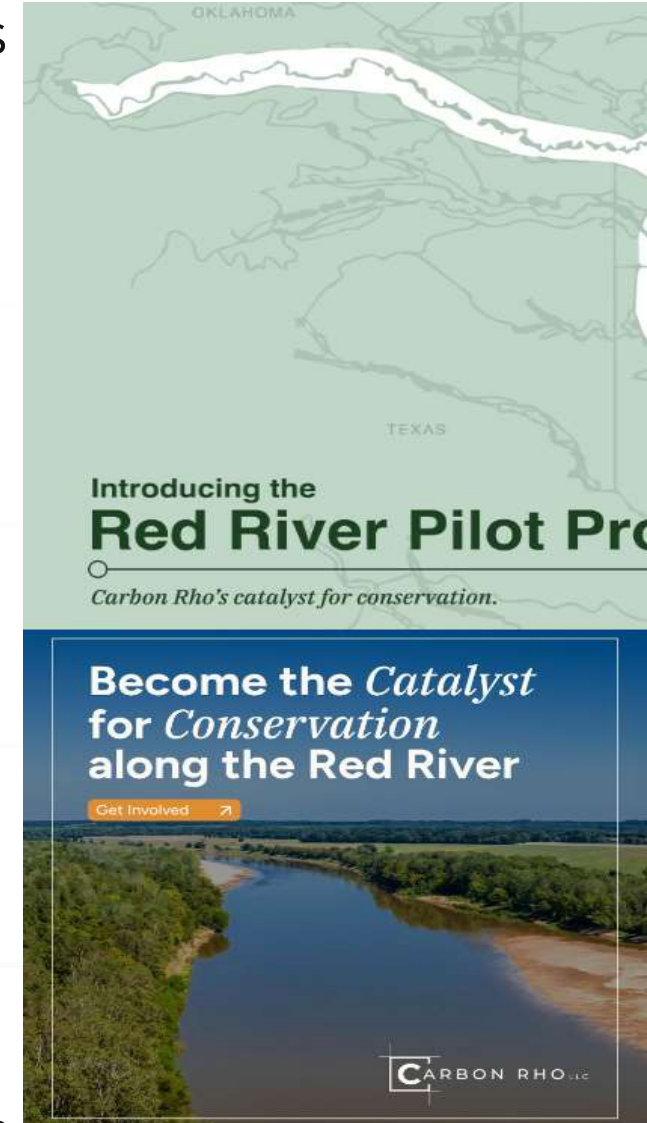
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Mt Ds Rg Cn Nh Fl Mc Lv Ts

273 281 282 285 286 289 289 293 294

RED RIVER PROJECT – VISION AT SCALE

- Preserve/Reconnect Native Hardwood Stands
- Develop Conservation Corridors
 - Protect, Restore or Create Riparian Habitat
 - Encourage Preservation of Existing Native Hardwoods
 - Improve Water Quality (mitigate pollutant loading)
- Leverage USDA Conservation Easements
 - >2.8 million acres in 4-States region
 - Collaboration with USDA using IFM framework
- Focus on Afforestation/Reforestation (ARR)
- Quantify Annual Growth (Removals)
 - BCarbon 10-Year revolving sequestration program
 - Return revenue to incentivize sustainable land use practices



RED RIVER PILOT PROJECT – KEY ATTRIBUTES

- Baseline Study of >26,420 Acres
- 15,823 Acre Forest Inventory
 - >968,000 metric tons of carbon dioxide equivalent (MTCO₂e)
 - Annual accrual rate of over 2.5 MTCO₂e/acre
 - >39,000 MTCO₂e of estimated annual removals
- High Value Removals via Afforestation
 - >40% of project consists of converted row crop or pasture
 - >200,000 seedlings planted since Q1 2023
- Strategic Credit Durability
 - Native mixed hardwoods provide highly resilient storage “sink”
 - “Evergreen” contractual structure extends beyond 50-years



Making a *positive impact* in our own backyard.

CARBON RHO LLC

Carbon Rho's
Red River Pilot Project
has been approved for
TEXAN ^{by} NATURE™
Certification

TXN CARBON RHO LLC



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treSwift

PROJECT DESIGN - ADDITIONALITY

- Conservative Baseline
 - Static baseline measurement at project initiation (>840,000 MtCO₂e)
 - Aboveground carbon pool only (>200,000 MtCO₂e in belowground baseline)
 - Avoids perverse incentives through conservative credit pool
- Measured Additionality of Removals
 - BCarbon's 5-year measurement and net carbon accounting process
 - Credits for measured CO₂e drawdown only (No look-back period)
- ARR Integration Additionality
 - Leverages BCarbon protocol flexibility for integration of ARR tracts
- Under-Managed Resource Opportunity & Excluded Landowners
 - Project area has experienced regional native hardwood deforestation
 - Baseline study identified tracts in need of active management
 - USDA timber stand improvement process alignment
 - Provides access to private landowners with historically limited opportunity

PROJECT DESIGN – ADDITIONALITY

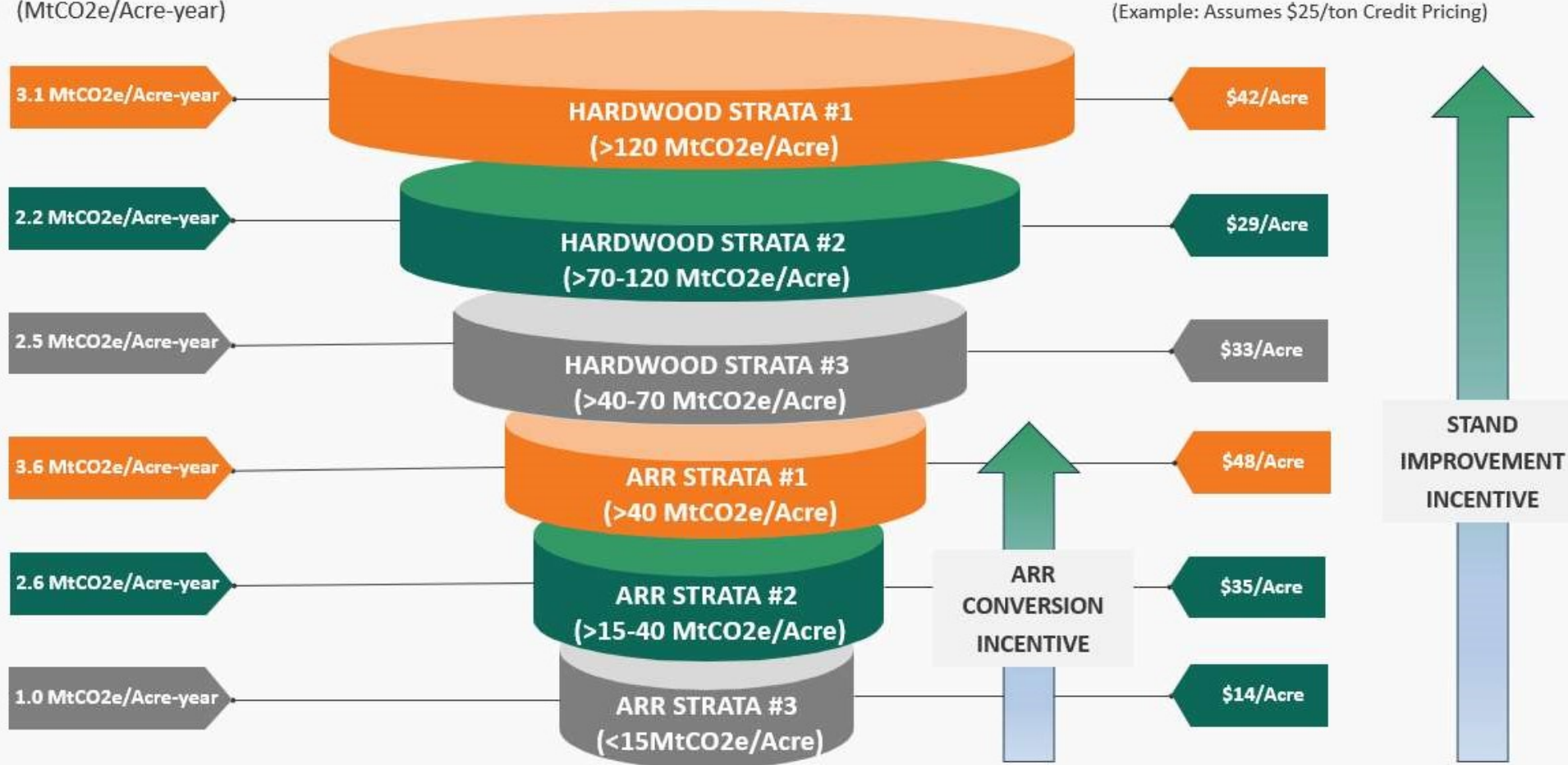
BASELINE INVENTORY HARDWOOD STRATIFICATION

MODELED CARBON ACCRUAL BY STRATA

(MtCO₂e/Acre-year)

OWNER REVENUE PER ACRE

(Example: Assumes \$25/ton Credit Pricing)



INTENTIONAL PROJECT DESIGN –

IFM STRATA PROVIDE INCENTIVES FOR CARBON MANAGEMENT



Mt	Ds	Rg	Cn	Nh	Fl	Mc	Lv	Ts
275	280	282	285	286	289	289	293	294
Mercury	Darmstadtium	Rutherfordium	Copernicium	Nihonium	Flerovium	Moscovium	Livermorium	Tennessium

PROJECT DESIGN - PERMANENCE

- “Evergreen” Contract Controls
 - Up to 55-year crediting period
 - Memo of agreement recorded with deed records
- Reversals and Contract Controls
 - Bonding replaces conventional buffer pool for unintentional reversals
 - Landowners are liable for intentional reversals (replacement cost & fees)
- Strategic Regional Sequestration Resource
 - Consistent accruals over time via native hardwood stands
 - Resilient hardwood stands provide long-term storage of sequestered CO_{2e}

MEASUREMENT & VERIFICATION OF REMOVALS

- BCarbon Protocol (5-Year measurement cycles)
 - Average of ~ 1 nested test plot per 100 acres
 - Internal project data quality controls
 - Third party audit cruises with digital data collection
- 10-Year Revolving Crediting Commitment

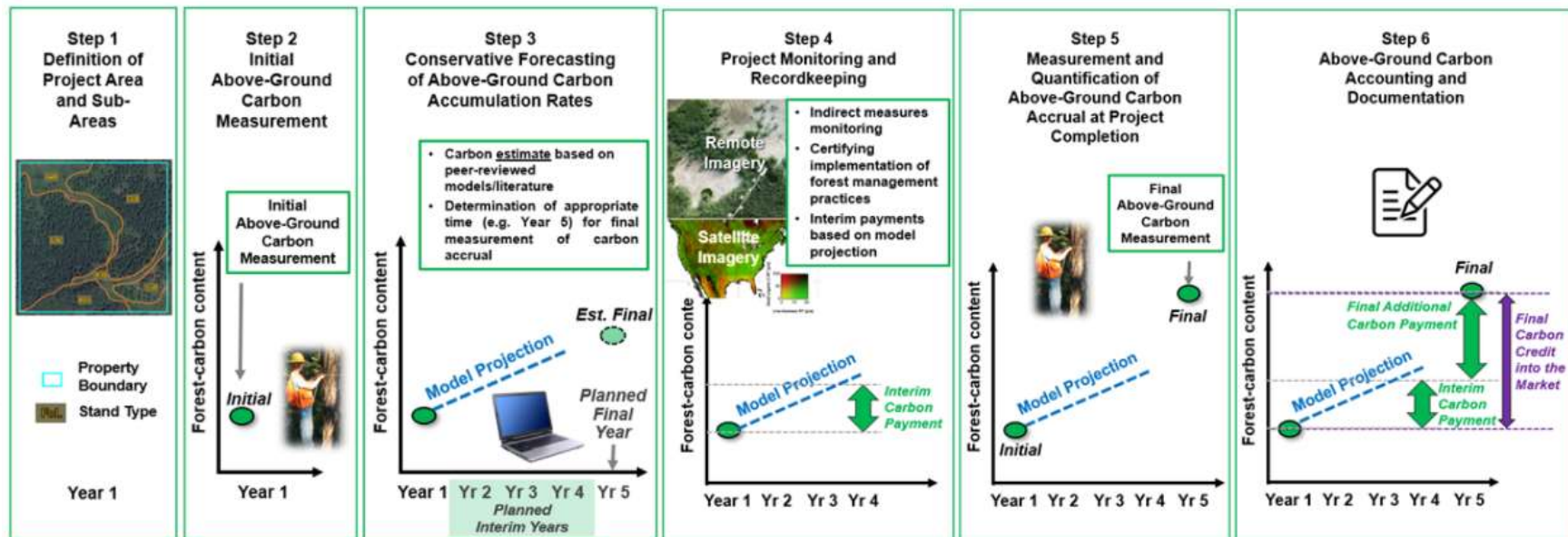


Figure 1: Illustration of 7-Step Process for Quantification of Above-Ground Carbon Accrual Over Time (Satellite imagery at Step 4 courtesy of NASA Jet Propulsion Laboratory).

MEASUREMENT & VERIFICATION OF REMOVALS

- Forward Modeling
 - U.S. Forest Service Forest Vegetation Simulator
 - Basis for annual interim credit requests
- 5-year True-up Measurement and Accounting
 - Verify net carbon removals
 - Request true-up credits

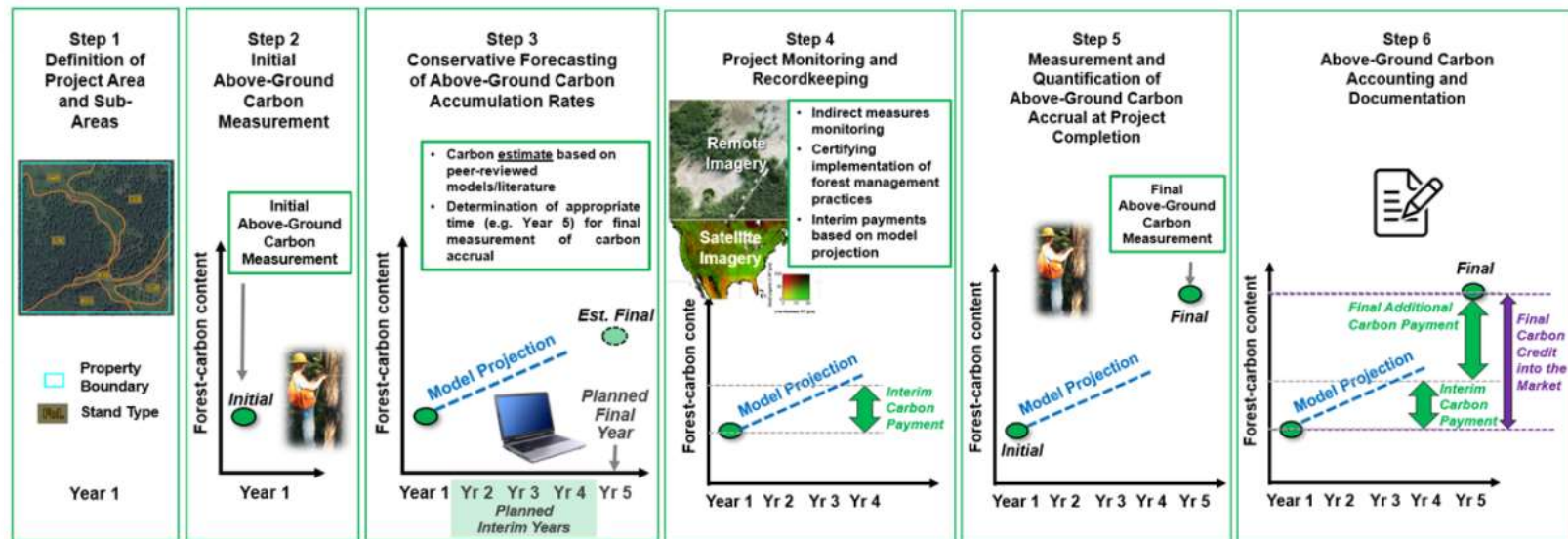


Figure 1: Illustration of 7-Step Process for Quantification of Above-Ground Carbon Accrual Over Time (Satellite imagery at Step 4 courtesy of NASA Jet Propulsion Laboratory).

MEASUREMENT & VERIFICATION OF REMOVALS

- Third Party Digital Audit
 - [Treeswift Visualization - Existing Native Oak Cypress Tract](#)
 - [Treeswift Visualization - ARR Tract](#)



RED RIVER PILOT PROJECT – CO-BENEFITS

- Nature-Based Resiliency (soil & water)
- Habitat & Biodiversity
 - Habitat: Up to 18 federal species of interest
 - Convergence of four ecoregions & central/Mississippi flyways
 - Afforestation: >4,500 acres (habitat restoration)
 - Riparian: >72 miles (Red River & tributaries)
- Aligned with at least four Sustainable Development Goals (SDGs)
- Unique Regional Land-use Pressures
 - ~15% of OK bottomland timber still stood in 1956
 - Working lands: >18,000 acres under contract

Project Area Forest Loss & On-Going Conversion Risks

 **40%**
of native OK
forest loss
since settlement

AR, OK, TX Among
TOP 15
States in Net Migration

MORE THAN
650
ACRES A DAY
of working
land converted
in Texas

SOURCE:

- 1.) SOURCE: Oklahoma Department of Agriculture, Food and Forestry (OK-DAFF), <https://ag.ok.gov/forestlegacy/>
- 2.) SOURCE: WWW.GLOBALFORESTWATCH.ORG
- 3.) <https://nri.tamu.edu/publications/research-reports/2022/texas-ecosystem-services-a-statewide-assessment/>



**A Ton More
Than Just a
Carbon Offset**
(That's no bull)

Buy Carbon Credits ↗

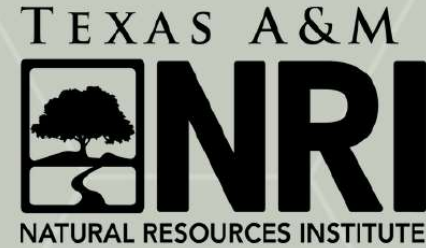
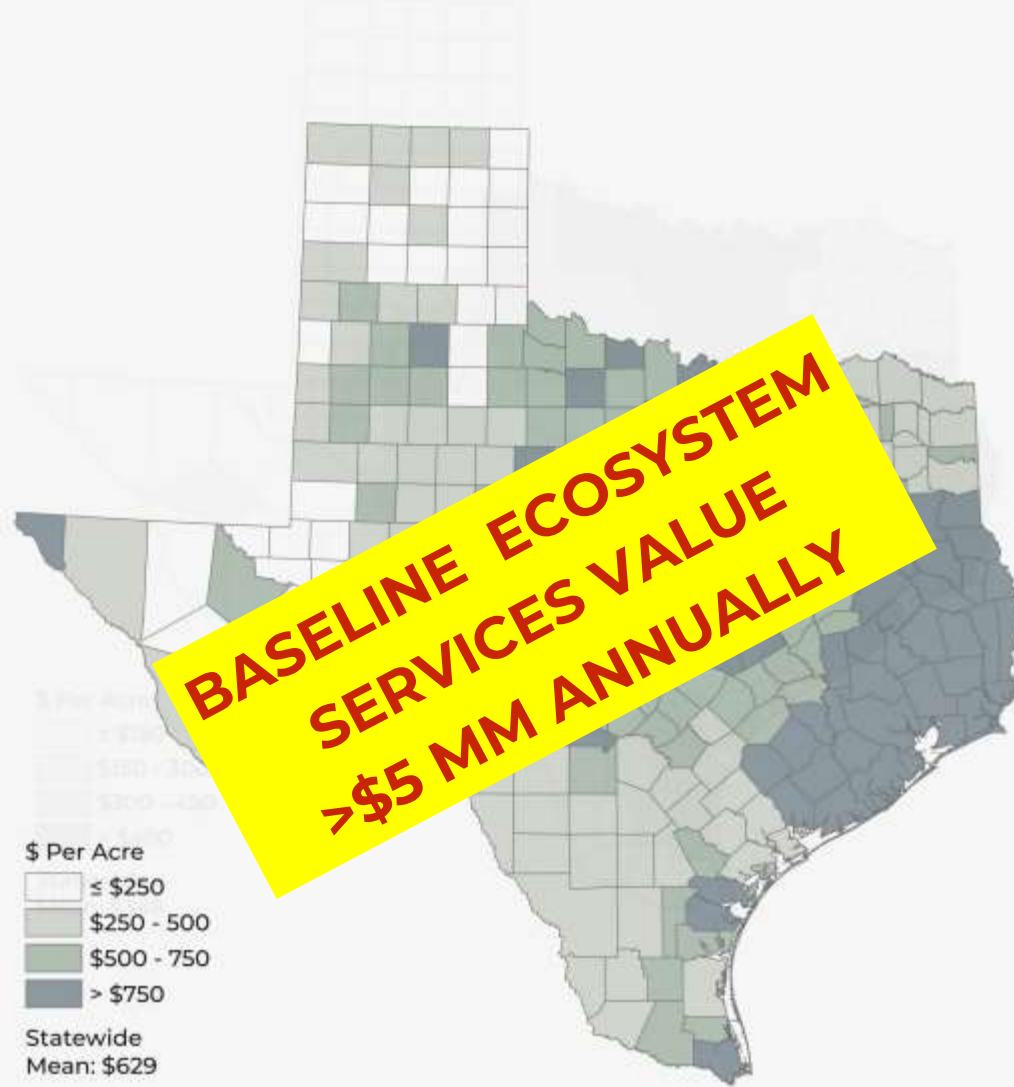
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**SINCE 2020 TEXAS HAS SEEN A COLLECTIVE
AREA THE SIZE OF THE STATE OF
RHODE ISLAND UNDERGO CONVERSION**

ECOLOGICAL SERVICES & METRICS

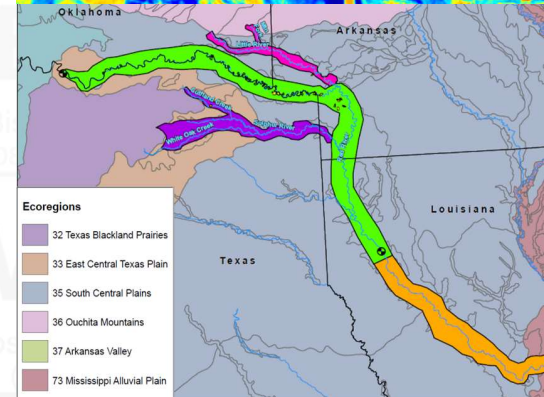
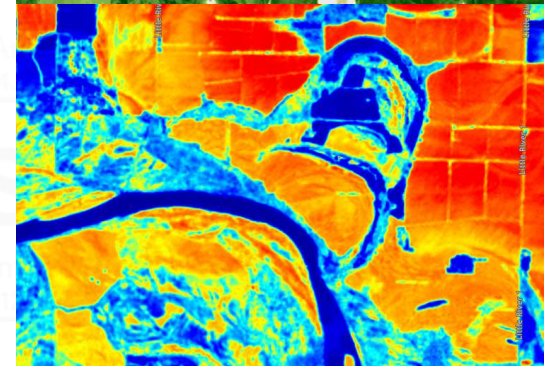
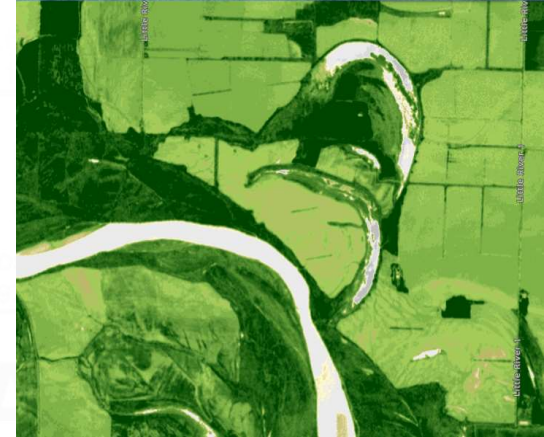
TOTAL ECOSYSTEM SERVICES VALUE

Total annual ecosystem service value (\$/acre/year) by Texas county.



RED RIVER PILOT PROJECT - SCALABLE

- Scalable to Waters Across the 4-States
 - Opportunity to co-invest in reforestation projects
- Remotely Monitor of Ecological “Lift”
 - “Project Area” will touch up to 5 unique eco-regions
 - Remote sensing tools for benchmark monitoring
 - Terrestrial monitoring (biodiversity indicators)
- Complementary Soil Carbon Projects
 - BCarbon stackable soil and forest carbon crediting
 - Water stewardship credit opportunities
- Water Resource Management
 - Future water stewardship project credit opportunities



ALIGNMENT WITH CORPORATE SUSTAINABILITY GOALS

- Offer High-quality Removal Credits
 - Contracting to complement internal carbon pricing
 - ROFR on future reforestation projects
- Companies Aspiring to be “Regenerative”
 - Complement annual conservation targets
 - Biodiversity risk mitigation
- Part of Larger Carbon Management Portfolio
 - Ideal “nature pillar” project
 - SMART goals align with project scaling
- Solution for Regional Re-investment

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