



BacTech Moves Forward in Bolivia

Begins Investigation in Ecuador for Bioleaching and Mercury Elimination

Toronto, Canada, October 17, 2016 - BacTech Environmental Corporation ("BacTech" or the "Company"), (CSE: BAC, OTC Pink: BCCEF) today provides a corporate update on its activities in South America.

BacTech management completed a trip to Bolivia and Ecuador the week of October 7th. In Bolivia, the Association Contract for the development of the remediation of tailings at Telamayu, Potosi, was signed between Empresa Minera Ambiental BacTech S.A. ("EMABSA"), BacTech's 98% owned Bolivian subsidiary, and COMIBOL, the Bolivian state mining company, and was approved by the Bolivian Government by Law N° 831 dated September 15, 2016.

Management of BacTech met with the President of COMIBOL, Sr. Marcelino Quispe and his advisors, in order to coordinate the administrative aspects of the project. In attendance with BacTech was a geologist from Bumigeme Inc., a Montreal based engineering group who will be managing the process.

At the meeting, the President was informed that EMABSA will contract with Leduc Drilling of Bolivia to conduct a drill program on the Telamayu tailings. The program will see the drilling of 71 shallow drill holes, for a total volume of approximately 600 meters, using a Vibracore drill. It is anticipated that the drill program will begin within the next 30 days.

The collected core samples from the drill program will be submitted to assay laboratories in Oruro, Bolivia, and Canada. This will be the underpinning of a resource estimation following the guidelines established by Canadian National Instrument 43-101 reporting. Once the drilling program has been completed, the Company will immediately begin metallurgical test work to determine the appropriate method for metal recovery (see the Company's previous press releases). A complete NI 43-101 compliant Preliminary Economic Assessment ("PEA") will then be completed.

In Ecuador, the Company began its investigation of the use of bioleaching as an effective form of processing high arsenic/gold concentrates. Several meetings were held with various interested parties including government.

Presently, artisanal miners produce arsenopyrite ore that is sold to flotation plants that operate in the Ponce Enriquez-San Gerardo gold district of the Azuay Province. In the past, the high arsenic (+8%) and high gold (+50 gpt)

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concentrates have been sold for export to Asian interests at a reduced price, given the difficulties of processing high arsenic values. Recently, the government of Ecuador enacted stronger export regulations for this material in order to enforce environmental and operating rules with small miners. BacTech believes that bioleaching can provide a “made at home” solution that meets environmental rules and improves the legal standing of the small miners of the area. The benefits can be summarized as:

1. Provide a better price to the local floatation plants for their product
2. Eliminate logistical costs for export of concentrate to Asia
3. Assist the Ecuadorian government in establishing legal mining amongst the artisanal miners
4. Provide increased skilled employment in Ecuador, replacing work done in Asia
5. Establish a new tax base for the government

A search has begun for an Ecuadorian partner with an established presence in the market. This follows BacTech’s policy of partnering with local companies who have a much better understanding of the local market. In Bolivia, BacTech’s partner is COMIBOL, the state mining company.

The first order of business is for BacTech to acquire a representative sample (~250 kg) of concentrate for evaluation and eventual bioleach test work. In the event a bioleach plant is established in Ponce Enriquez, BacTech will also investigate the possibility of reprocessing the numerous existing tailings piles in Ponce Enriquez that are causing damage to the local environment through the release of mercury, arsenic and acid. The Company was very encouraged about its ability to follow through on its goals in Ecuador.

BacTech would like to confirm that Telamayu is the Company’s best option for achieving early cash flow and will be its primary focus. In the interests of stability, the Company will continue to evaluate potential projects that will be added to its pipeline inventory. Recently, BacTech has visited projects in the western United States at the request of their owners.

Company Profile

BacTech Environmental Corporation holds the perpetual, exclusive, royalty-free rights to use the patented BACOX bioleaching technology for the reclamation of tailings and mining waste materials. The Company’s principle focus is a high-grade silver/copper tailings project called Telamayu, located in Atocha, Bolivia, in association with COMIBOL, the state mining group. The Company signed an MOU with Duran Ventures Inc. to explore the viability of building a BACOX plant in Peru to treat high-grade gold/arsenic ores. Investigation has begun to identify similar opportunities in Ecuador. The Company continues to field enquiries globally with respect to additional opportunities for remediation, including

licensing transactions for the technology.

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Special Note Regarding Forward-Looking Statements

This news release contains "forward-looking information", which may include, but is not limited to, statements with respect to future tailings sites, sampling or other investigations of tailing sites, the Company's ability to make use of infrastructure around tailings sites or operating performance of the Company and its projects. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which 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. Forward-looking statements contained herein are made as of the date of this news release and the Company disclaims, other than as required by law, any obligation to update any forward-looking statements whether as a result of new information, results, future events, circumstances, or if management's estimates or opinions should change, or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such

statements. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements.

Shares outstanding 51,618,944

The Canadian Securities Exchange (CSE) has not reviewed and does not accept responsibility for the adequacy or the accuracy of the contents of this release.