

BacTech Attracts Ecuador Partner For Ponce Enriquez Project

Toronto, Canada. October 9, 2018

BacTech Environmental Corporation ("BacTech") (CSE:BAC- OTC:BCCEF) today announced that it has signed a Memorandum of Understanding ("MoU") with an Ecuadorian-based company for a potential project in Ponce Enriquez ("PE"), Ecuador.

Green Oil, an environmental consulting, engineering and project management company has agreed to work with BacTech to develop an understanding and a "go forward" plan for a bioleach facility to be based near Ponce Enriquez. The purpose of the plant will be to reprocess significant amounts of tailings generated by small mining in the PE area. It is estimated that there are over 92 processing plants in the area treating oxide and sulphide material including high levels of arsenic. Presently tailings are amassed near the mine sites some 1,000 meters above the coastal plain. As the tailings near capacity there is a potential threat to those living in the lower elevations should the area experience an earthquake or a severe storm. Ponce Enriquez is a proactive mining area with many people relying on the mining sector to provide employment. A solution to the tailings issue is needed to allow mining to continue in the area.

In June of this year the Company released bioleach test results for 150 kg of mineralized material, concentrate and tailings collected in the PE area. Arsenic levels were as high as 15% in the concentrates. In summary, 99% of the arsenic was precipitated out in the process as ferric arsenate with the results significantly below the minimum Toxicity Characteristics Leaching Procedure ("TCLP") standard. Next week, phase 2 of the test work will begin at Laurentian University in Sudbury, Canada to test different pulp densities as well as to improve the gold grade to a normal 95% recovery. The phase 1 results were presented to the Minister of Mining in Ecuador and we are expecting a letter of support for this project in due course.

Green Oil (<u>www.greenoil.ec</u>) was established in 2001 and involves over 100 professionals who combine experience with in-depth knowledge of protocols and legal compliance systems to achieve technical and cost-effective solutions for a variety of environmental projects on behalf of their international clientele guaranteed with quality certification ISO 9001. This fulfills BacTech's desire to be partnered with a company that has local expertise in countries where it has no roots of its own. GO obtains over 75% of their business from international clients.

"We are pleased to attract an established Ecuadorian company to partner with. Given we are in the early stages of identifying the economic opportunity it is prudent on both parties to partner through an MoU. Should the study prove to be economically viable we would move to form a joint venture with Green Oil. The idea of having a local partner who understands the business and governmental climate is a very big positive for us," said Ross Orr, President and CEO.

"We are excited to work with BacTech and share a common vision of providing an environmental solution to Ponce Enriquez and improving environmental conditions in the area of influence. We

are working toward a positive social impact for this mining town" said Juan Carlos Espinosa, General Manager of Green Oil.

Green Oil will be responsible for completing an internal market study that will identify the tonnage and grades for these 92+ tailings sites in addition to negotiating access to the tailing material with the owners should the study be positive. BacTech will be responsible for ongoing test work as new tailings are added to the inventory as well as organizing the funding for what would be a flotation/bioleach circuit to be built on the coastal plain. The contained metals are gold, silver and in some cases, copper. It is assumed that trucking will be used to bring the tailings down the mountain for processing.

The internal study will begin in October and take 4 months to complete. Based on the results, a decision will be made to either pursue the project or terminate for economic reasons. In addition to tailings treatment, the investigation will also look at the possibility of purchasing high arsenic/gold concentrates produced at the local mines. At present these concentrates are being sold into Asia with heavy price discounts due to the high levels of arsenic.

"The partnership illustrates the demand for this type of solution in South America and reinforces our strategy of partnering with local expertise," continued Ross Orr.

Dr. Paul Miller holds a Doctorate in a Chemical Engineering from Birmingham University in England and is a Chartered Engineer and a Member of The Institute of Mining and Metallurgy of London. He is a Qualified Person under National Instrument 43-101, has visited Ponce Enriquez and has read and approved this press release.

Project Overview

The Telamayu project involves the environmental remediation of the "Antiguo" tailings with an option on the larger "Nuevo" tailings, both situated at the Telamayu mill site near the town of Atocha in the Department of Potosi in Bolivia.

The existing Telamayu mill concentrator has generated the Antiguo and Nuevo tailings by processing mineralized material from the surrounding mines for over 80 years. There is considerable infrastructure at the mill site including high voltage power, rail, mill housing, and a local workforce.

A second project entails BacTech investigating the use of bioleach processing to treat historic arsenic tailings and possibly arsenopyrite concentrates produced in the Ponce Enriquez area of Southern Ecuador.

For further information contact: Ross Orr, President & CEO BacTech Environmental Corporation/ 416-813-0303 ext. 222, Cell 416-346-5529 and EPEmail: <u>borr@bactechgreen.com</u>

Robin Cook, Investor Relations: 416-809-1738, Email: robin@frontiermcg.com

Follow us on:

Facebook <u>http://www.facebook.com/BacTechGreen</u> Twitter <u>http://twitter.com/BacTechGreen</u> LinkedIn <u>http://www.linkedin.com/company/1613873</u>

BacTech Environmental Corporation

Vimeo <u>http://vimeo.com/bactechgreen</u> YouTube <u>http://www.youtube.com/user/bactechgreen</u>

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 using 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 because 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: 88,143,756

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.