



BacTech Completes Collection of Gold Concentrate Samples from Six Ecuador Processing Plants

July 9, 2020

BacTech Environmental Corporation (“BacTech or the Company”) (CSE: BAC, OTC: BCCEF) today announced it has completed the collection of gold concentrate samples produced by six different gold processing facilities in Ponce Enriquez and Portovelo, Ecuador.

Ross Orr, President and CEO of BacTech states “This represents an important step to move the Ponce Enriquez bioleach gold project forward in Ecuador. We are very pleased that we were able to attract concentrate from various producers in our selected test areas, which demonstrates their willingness and desire to improve margins and to provide sound environmental solutions in a region that depends on mining to provide local jobs and economic well-being for its own people.”

The six collected 10 kg samples will be assayed at a local laboratory and a representative composite sample will then be made and shipped to Perth, Australia. Once in Perth, the sample material will be sent to ALS Labs where a Bioleach Test Program will be undertaken under the supervision of BacTech V.P., Technology and Engineering, Dr. Paul Miller. The Bioleach Test Program results and report are expected to be completed within six months.

Based on prior BacTech sampling experience, the Company anticipates a positive outcome to the proposed Bioleach Test Program, at which time a third-party engineering group will be engaged to undertake a Prefeasibility Study that would provide anticipated economics for the project.

The areas where the gold concentrate samples were collected are known for their high levels of arsenic. It is this high level of arsenic in the concentrates that leads to dramatically reduced prices being paid to local producers. The majority of the discounted high arsenic material is bought by Asian smelters and roasters and shipped offshore.

As opposed to shipping the concentrate offshore, BacTech proposes to build a local plant that would endeavour to pay higher prices for the concentrate and keep jobs in Ecuador. The combination of inexpensive energy, high grades of gold, favourable tax incentives, the elimination of transportation costs to Asia, and the government export tax make the use of bioleaching in Ponce Enriquez extremely attractive for gold producers and BacTech.

BacTech is targeting concentrates with a cut-off grade of 40 grams per tonne and arsenic levels above 10%. The following are the grades reported by the processing plants for the samples that were collected. These are grades supplied by the processor and all the samples will be subject to assay verification upon arrival in Perth.

Summary of Samples Collected From 6 Process Plants in Ponce Enriquez

Plant	Sample	Wet Weight (kg)	Flotation	Stated Grade Au gpt/opt	Stated As Grade in %	Monthly Wet Tonnage	Share of Total (%)
A	Conc	10	Yes +CIP	40 / 1.3	0.9	125	11.11
B	Conc	10	Yes	20/ 0.65	16	175	15.56
C	Conc	10	Yes +CIP	50/ 1.6	27	175	15.56
D	Conc	10	Yes	60/1.9	10	200	17.78
E	Conc	10	Yes	35/1.13	12	250	22.22
F	Conc	10	Yes	55/1.77	15	200	17.78
Total		60		43.33/1.4	13.48	1125	100

gpt= grams per tonne, opt = ounces per tonne

As illustrated above, the grades of all concentrates provided by the producers exceed 35 gpt of gold (1.13 opt) except for one and are as high as 60 gpt (1.93 opt). As well, the average grade of arsenic in the samples exceeds 13%. Given the high level of arsenic in the concentrates, the producer is forced to accept heavy penalties from the buyers.

BacTech has publicly discussed that the expected daily capacity of the proposed Ponce Enriquez bioleaching plant would be 40 tpd. From the above chart, we identify a cumulative feed of 1125 tonnes per month or 37.5 tpd of concentrate. Given the positive response we received from the producers, BacTech will consider increasing the initial capacity of the plant to 50 tpd or more. The Company believes that the completion of the plant in Ponce Enriquez will attract additional feed from other mines in Ecuador as well as Peru and Colombia. Bioleaching is modular in nature and can be expanded without interrupting an existing operation.

Yesterday, BacTech commented on a recent tailings burst in Ponce Enriquez. The Company is eager to bring assistance to the tailing issues in Ponce Enriquez in addition to safely processing concentrates from local mines. BacTech has held discussions with various levels of government in the past and will continue to provide feedback to them as we proceed with our test program.

BacTech anticipates releasing results of the ongoing Bioleach Test Program as they become available.

ABOUT BACTECH

BacTech is promoting the use of its proprietary bioleach processing technology to treat historic arsenopyrite concentrates and tailings produced in the Ponce Enriquez area of Southern Ecuador.

BacTech has agreed to participate with a group looking to reprocess the Arsenic Stockpile in Snow Lake, Manitoba as a technology partner.

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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 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: 105,420,423

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.

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