



## **BacTech Announces MoU for Funding Ecuador Bioleach Plant**

Toronto, Canada  
January 19, 2021

BacTech Environmental Corporation (“BacTech” or the “Company”)(CSE:BAC, OTC: BCCEF) today announced that it has signed a Memorandum of Understanding (“MoU”) with a private equity group in Europe to fully fund a proposed bioleach plant in Ecuador.

The MoU, subject to completion of due diligence, outlines how a private group based in Europe (“Euro Group”) can obtain a 50% interest in BacTech’s proposed bioleach plant in exchange for providing 100% of the necessary financing. The Euro Group has required anonymity at this stage of the process with BacTech. The MoU outlines an investment to be made by purchasing shares in BacTech’s 100% owned Ecuador subsidiary. The agreement is subject to completion of the group’s due diligence and subsequently BacTech producing suitable bioleach test results on material from Ponce Enriquez.

“Obviously this is a big step forward for us. We always knew the first plant would be the toughest to finance so this agreement provides us with some comfort going forward. If the bioleach results are positive, both parties will then move to execute a Joint Venture agreement (“JV”) to complete the project. The project will be carried out in BacTech’s subsidiary in Ecuador thereby limiting the dilution in the parent, public company,” said Ross Orr President and CEO of BacTech.

The proposed investments will be made in the following fashion.

1. US\$100,000 to earn 5.8% of the subsidiary. The funds will be earmarked for the completion of the bioleach test work at ALS Labs in Perth, Australia under the guidance

of Dr. Paul Miller. In the event of an unsuccessful bioleach test program, the Euro Group can convert their investment to BacTech common shares at this stage.

2. US\$300,000 to earn an additional 10.3% of the subsidiary. The funds will be used to complete a Feasibility Study and begin the process to obtain the necessary permits from the government.
3. US\$300,000 to earn an additional 7.5% of the subsidiary. The funds will finance detailed engineering using the flow chart established from the bioleach results.
4. Upon arranging the financing for the plant construction, Euro Group will earn an additional 26.4% bringing their total ownership to 50% of the subsidiary.

Once the due diligence is completed and the first payment of US\$100,000 has been made, the bioleach test work will begin at ALS Labs in Perth, Australia under the guidance of BacTech's Dr. Paul Miller.

BacTech recently negotiated with the owners of 6 mines to collect concentrate samples from mines in Ponce Enriquez, Ecuador. Assay and metallurgy results for the concentrates were press released on Dec 2, 2020 and confirmed the high-grade gold values of the concentrates. In addition, the assays revealed high levels of arsenic in the concentrates. It is the combination of these values that has attracted the Company to Ponce Enriquez given bioleaching not only liberates gold from refractory ore but also produces a stable ferric arsenate from the arsenic.

In summary, BacTech is investigating the prospects of a build/own/operate bioleach facility to be based in Ponce Enriquez, Ecuador. The selection of Ponce Enriquez is driven by the extremely high levels of arsenic that is associated with gold in the +90 small mines in the area which attract high penalties in smelting. Presently, the miners are forced to sell their production at reduced prices to Asian buyers due to the high arsenic values in the concentrates and accept lower financial returns. BacTech proposes to pay better prices for the miners' material, by eliminating penalties for arsenic, and process higher grade gold to reduce overall refining costs. Given the current price of gold, BacTech believes, through its internal modelling, that the plant will be economically viable.

This concept can be repeated in areas of Peru, Colombia and Central America where arsenic is known to exist alongside gold mining.

## **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. The Company is also awaiting the reduction in government imposed Covid restrictions in Colombia where BacTech will investigate a gold/platinum tailings project.

For further information contact:

Ross Orr,

President & CEO, BacTech Environmental Corporation

416-813-0303 ext. 222,

Cell 416-346-5529 and

Email: [borr@bactechgreen.com](mailto:borr@bactechgreen.com)

Website: [www.bactechgreen.com](http://www.bactechgreen.com)

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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: 116,914,667**

*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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