



BacTech Announces \$3 Million Non-Brokered Private Placement at Premium to Market Price

Unique Offering Includes Royalty Payments to Purchasers

TORONTO, ON February 14, 2022 – [BacTech Environmental Corporation](#) (CSE: BAC, OTC: BCCEF, FSE: 0BT1) (“**BacTech**” or the “**Company**”), a commercially proven environmental technology company delivering effective and eco-friendly bioleaching and remediation solutions, is pleased to announce a non-brokered private placement offering (the “Offering”) of units (the “Units”) for maximum gross proceeds of \$3,000,000. The Company has expressions of interest for the total amount of the financing.

The issue price of the Units will be \$0.20 per unit. Units are comprised of (i) one (1) common share in the capital of the Company (or its successor) (hereinafter a “Share” and collectively, the “Shares”), (ii) one (1) transferable common share purchase warrant (each, a “Warrant” and collectively, the “Warrants”). Each whole Warrant shall entitle the holder thereof to acquire one (1) additional common share (each a “Warrant Share”) in the capital of the Company (or its successor) at a price of \$0.30 per Warrant Share until the date that is twenty-four (24) months from the Closing Date (as defined herein). And (iii) a Royalty Certificate representing the Royalty Incentive as defined below; the Royalty Certificate may be transferred subject to the approval of the Company.

Royalty Incentive

The Company will offer a royalty to participants, once the Tenguel - Ponce Enriquez facility in Ecuador, as described in the updated [Feasibility Study dated January 31, 2022](#) (the “Feasibility Study”) is fully operational. This royalty will be based upon the revenues generated by the Company’s proposed Tenguel - Ponce Enriquez facility to all investors who subscribe for Units hereunder. For each \$1.0 million of the Offering, the Company will offer a 0.5% royalty. The cumulative royalty payment will be limited to a maximum of twice (i.e., “200%”) the original amount invested in Units (the “Royalty”). The Royalty will be represented by a certificate (the “Royalty Certificate”) in the form of the Royalty Certificate included in the subscription documentation.

Assumptions, based on the updated Feasibility Study, suggest an amount of \$3,532 will be paid annually to the holder of the Royalty Certificate on every tranche of \$10,000 invested in the Units,

until an aggregate of twice (i.e.: “200%”) of the amount invested in the Units is paid as the cumulative Royalty payment maximum, subject to the Early Warrant Exercise Incentive, as described below.

The Company will increase the aggregate Royalty payments by an additional 0.50% per \$1.0 million of the amount subscribed in this Offering solely for those investors who exercise their Warrants issued in connection with this Offering within six months of the Closing Date. The cumulative Royalty payment maximum will increase by the amount of warrant proceeds received pursuant to the terms of the Early Warrant Exercise Incentive.

“Our updated Feasibility Study illustrates the significant long-term investment potential that this project represents for all shareholders,” said Ross Orr, President and CEO. “The projected margins are exceptional, giving us the flexibility to structure a deal that we believe will inject capital into the Company on favourable, less dilutive terms. Volt Strategic has been an invaluable partner in helping to pull these efforts together, as we set our sights on new milestones and work towards completing this unique project.”

The net proceeds of the Offering will be used by the Company for ongoing working capital, land acquisition and the Company’s capital contribution for advancing the Company’s Tenguel – Ponce Enriquez, Ecuador bioleaching project as outlined in the Feasibility Study.

The Common Shares and the Warrants will be subject to a statutory four month hold period under the applicable securities laws and in such case the certificates evidencing the Shares and the Warrants will bear a legend to that effect, as applicable. Closing of the Private Placement Offering is expected to occur on or about February 28, 2022, and is subject to certain conditions, including but not limited to, the receipt of all necessary regulatory and stock exchange approvals, including the approval of the CSE.

The Units will be offered and sold by private placement in Canada to "accredited investors" within the meaning of Regulation 45-106 respecting Prospectus Exemptions and other exempt purchasers in each province of Canada and such other jurisdictions within and outside of Canada as are agreed to by the Company.

About the Tenguel – Ponce Enriquez Bioleaching Project

BacTech is planning to build a new owner-operated bioleaching facility in Tenguel, near Ponce Enriquez, Ecuador, in a region where arsenic is associated with gold ore (Arsenopyrite). The Company’s plan is to build a 50 tpd bioleach plant capable of treating high gold/arsenic material. A 50 tpd plant, processing 1.75 ounces of gold per tonne of feed, similar to feeds available to the Company from local miners, would produce approximately 31,000 ounces per year. Plant designs are modular and can be expanded without affecting ongoing production. The total concentrate market in the Ponce Enriquez area is estimated to be between 200 and 250 tonnes per day, allowing for increased throughput potential with a larger plant.

Key Economic Highlights:

- Pre-tax NPV (Net Present Value with 5% discount rate) of \$60.7M
- Pre-tax IRR (Internal Rate of Return) of 57.9%
- Annual Gold Production of 30, 900 ounces
- Capital Cost of \$17M
- Bioleach Operating Cost of \$212 per tonne
- Assumed Purchase Prices of Concentrate – 65% of the contained gold value
- Pre-tax Earnings Prior to Employee Bonus – \$10.9M annually
- Estimated local employee bonus pool – \$1.64M
- Payback (70% DEBT) – 2 years

In total, there are over 90 small mines operating in the area. BacTech intends to return local miner compensation back to previous payment levels, prior to a sweeping price reduction imposed by Chinese buyers due to recent import levies on arsenic/gold concentrates entering China. BacTech continues to investigate the prospects of establishing additional modern bioleaching facilities across other areas of Ecuador, Peru, and Colombia. Where possible, the Company will partner with national and local governments, non-governmental organizations (NGOs), and others to assist with the funding of these projects.

About BacTech Environmental Corporation

BacTech is a proven environmental technology company, delivering effective and eco-friendly bioleaching and remediation solutions to commercial operations to process and recover preferred metals (gold, silver, cobalt, and copper) smartly and safely remove and transform harmful contaminants like arsenic into benign EPA-approved products for landfill. Tapping into numerous environmental and economic advantages of its proprietary method of bioleaching, BacTech uses naturally occurring bacteria, harmless to both humans and the environment, to neutralize toxic mining sites with high-pay potential. BacTech is publicly traded on the CSE under the symbol “BAC”; on the OTC as “BCCEF”; and the Frankfurt Stock Exchange as “0BT1”.

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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: 157,455,558

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.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the shares, nor is it a solicitation of interest from a prospective investor.