

**BacTech Environmental Corporation**  
**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1: Name and Address of Company**

BacTech Environmental Corporation (the "Issuer")  
37 King Street East, Suite 409  
Toronto, Ontario M5C 1E9

**Item 2: Date of Material Change**

June 15, 2023

**Item 3: News Release**

A series of news release was issued and disseminated through the facilities of Canadian News Wire on March 27, 2023, June 1, 2023 and June 16, 2023 and filed on SEDAR ([www.sedar.com](http://www.sedar.com)). A copy of the news releases are attached as Schedule "A" hereto.

**Item 4: Summary of Material Change(s)**

BacTech Environmental Corporation ("BacTech or the Company")(CSE:BAC, OTC:BCCEF) announced the closing of three tranches of a private placement for a total gross proceeds of \$884,000 through the issuance of 11,050,000 units. Each unit consisted of one (1) common share of BacTech and one (1) common share purchase warrant. The warrant allows the holder to purchase an additional common share in the Company at \$0.12 for a period of two (2) years .

**Item 5.1: Full Description of Material Change**

See attached news releases at Schedule "A" to this report.

**Item 5.2 Disclosure for Restructuring Transactions**

Not applicable.

**Item 6: Reliance on subsection 7.1(2) of National Instrument 51-102 (Confidentiality)**

Not applicable.

**Item 7: Omitted Information**

No information has been omitted on the basis that it is confidential information.

**Item 8: Executive Officer**

Louis Nagy  
Chief Financial Officer

**Item 9: Date of Report**

June 21, 2023

**SCHEDULE "A"**



## **BacTech Announces First Closing of Private Placement**

TORONTO, ON., March 27, 2023 **BacTech Environmental Corporation** (OTC:BCCEF, CSE:BAC) (“BacTech or the Company”), a commercially proven environmental technology company delivering effective biomining metal recovery and eco-friendly remediation solutions, announced today that it has closed the first tranche for \$732,000 of its recently announced non-brokered private placement ([see news release dated March 13<sup>th</sup>, 2023](#)) for \$1M in equity funding.

Each Unit, priced at \$0.08 per Unit, comprises one common share (each a “**Share**”) and one common share purchase warrant (each a “**Warrant**”) in the capital of the Company. Each whole Warrant will entitle the holder to acquire one additional common share (a “**Warrant Share**”) in the capital of the Company at a price of \$0.12 for a period of two years from the date the Units are issued. If during the exercise period of the Warrants the Company's shares trade at \$0.20 per share or higher for a period of 10 consecutive trading days on the CSE, the Company may provide notice in writing to the holders of the Warrants that the expiry date will be accelerated thirty days from the date of providing such notice (the “**Early Acceleration**”).

This initial closing will allow us to meet our business objectives and basic working capital needs over the next 12 months. Additional capital will allow us to expedite deposits on equipment with longer lead times.

A finder’s fee of \$16,600 was paid and 208,500 Broker Warrants were paid as part of the capital raise. The Broker Warrants buys have a 2-year term and buys an additional common share at \$0.08.

All Units sold under the Offering (the “**LIFE Units**”) were sold to purchasers pursuant to the listed issuer financing exemption (the “**Listed Issuer Financing Exemption**”) under Part 5A of National Instrument 45-106 – Prospectus Exemptions (in Québec, Regulation 45-106 respecting Prospectus Exemptions, collectively, “**NI 45-106**”). The Common Shares and Warrants underlying the LIFE Units are freely tradeable and are not subject to a hold period pursuant to applicable Canadian securities laws.

## **About the Tenguel – Ponce Enriquez Bioleaching Project**

BacTech is planning to build a new owner-operated bioleaching facility in Tenguel, Ecuador, in a region where arsenic is associated with sulphide 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 feed of 1.75 ounces of gold per tonne, 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. BacTech has signed an agreement with the government to build a Phase 2 plant that would see the addition of 150-200 tpd of capacity capable of producing in excess of 100,000 ounces per annum.

Key economic highlights, assuming a base gold price @ \$1,600 per ounce:

- 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
- Pre-tax Earnings Prior to Employee Bonus – \$10.9M annually
- Estimated local employee bonus pool – \$1.64M

In total, there are over 100 small mines operating in the area. 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 and ensure that they meet the Company's high expectations not only for environmental standards, but also for the highest standards in all ESG considerations.

## **About BacTech Environmental Corporation**

BacTech Environmental Corporation is a company that specializes in environmental technology. We use a process called bioleaching to recover metals like gold, silver, cobalt, nickel, and copper, while also safely removing harmful contaminants like arsenic. This process is eco-friendly and uses naturally occurring bacteria that are safe for both humans and the environment. By using our proprietary method of bioleaching, we are able to neutralize toxic concentrates and tailings while also creating profitable opportunities. The company is publicly traded on several stock exchanges, including the CSE, OTCQB, and Frankfurt Stock Exchange.

For further information contact:

Ross Orr

**President & CEO, BacTech Environmental Corporation**

416-813-0303 ext. 222

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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: 183,460,333

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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.



## **President of Ecuador Signs Community Consultation Process Decree; Clears Path for BacTech Environmental to Pursue Final Major Permit**

### ***BacTech Engages Moody's to Provide Green Bond Accreditation for Gold Recovery Plant Funding***

TORONTO, ON, June 1, 2023 – [BacTech Environmental Corporation](#) (CSE: BAC, OTC: BCCEF, FSE: 0BT1) (“BacTech” or the “Company”), a commercially proven environmental technology company delivering eco-friendly bioleaching and remediation solutions for precious metal and critical mineral recovery, today announced that President Guillermo Lasso of Ecuador has issued Decree No. 754 related to the Reform of the Regulations to the Organic Environmental Code, which regulates the Social Participation Process for Environmental Consultation in the Environmental Regularization Process (“the Consultation Process”).

As previously communicated, this is the final major permit required to approve the Company’s planned project in Tenguel, Ecuador. Upon completion, the facility is expected to be the largest and most efficient bioleaching plant in South America using naturally occurring bacteria, harmless to both humans and the environment, to treat gold and base metal concentrates along with toxic tailings created through local mining operations. BacTech was granted its Environmental Impact Study Permit in September 2022, further illustrating the government’s commitment to the launch of this important project.

“We have waited patiently for this day to happen,” said Ross Orr, President, and CEO of BacTech. “The Company is fully prepped and highly confident that the local community will formally welcome BacTech’s pursuits for several reasons. First, Ecuadorian law dictates that employees will share in a bonus pool equal to 15% of the after-tax income of the project. Our bankable Feasibility Study numbers, adjusted to current gold prices, confirm that future BacTech plant will see their pay grow substantially over their current farming wages. Secondly, the Tenguel plant will be built with ESG governing principles in mind, mitigating all potential disturbances emanating from the bioleach plant. And most importantly, unlike most other companies that have been waiting for this consultation process to be finalized, BacTech plans to introduce environmentally friendly bioleaching and remediation solutions that have captured the attention of key officials and community leaders. We are set up to succeed and believe we’ll benefit from an expedited final permitting process.”

In addition, the Company also announces it has selected Moody’s to provide third-party verification of BacTech as qualified Green Bond issuer. Moody’s provides investors with a comprehensive view of global debt markets through credit ratings and research. Toronto-based Sequestr, a company recently announced by BacTech providing ESG-based market infrastructure, continues to assemble the appropriate data for Moody’s evaluation.

Finally, BacTech announces the closing of a small 2nd tranche of its recent placement for \$20,000. The offering consists of a common share and a common share purchase warrant that allows the holder to purchase an additional common share at \$0.12 for a period of two years from closing. The unit is priced at \$0.08.

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In total, there are over 100 small mines operating in the area. 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 and ensure that they meet the Company's high expectations not only for environmental standards, but also for the highest standards in all ESG considerations.

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**For further information contact:**

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(1) “Green Bond Growth to Return in 2023,” Markets 360, BNP Paribas, February 7, 2023  
<https://globalmarkets.cib.bnpparibas/green-bond-growth-to-return-in-2023/>

Disclaimer: Stated goals of raising US\$20 million to finance planned construction of the project in no way guarantees process approval.

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## NEWS RELEASE

### **BacTech Environmental Provides Corporate Update**

**TORONTO, ON, June 16, 2023** – [BacTech Environmental Corporation](#) (CSE: **BAC**, OTC: **BCCEF**, FSE: **0BT1**) (“BacTech” or the “Company”), a commercially proven environmental technology company delivering eco-friendly bioleaching and remediation solutions for precious metal and critical mineral recovery, is pleased to provide the following corporate update.

#### **Financing**

The Company today announces the closing of a 3rd tranche of its recent placement for \$132,000. The financing includes the issuance of 1,650,000 units consisting of one (1) common share of BacTech and one (1) common share purchase warrant. The warrant allows the holder to purchase an additional common share in the Company at \$0.12 for a period of two (2) years from the closing.

#### **Green Bond Certification**

Further to the Company’s selection of Moody’s to provide third-party verification of BacTech as a qualified Green Bond issuer, BacTech confirms it has tendered all necessary documentation to Moody’s with respect to the Company’s pursuits of Green Bond certification. As previously announced in its [April 13, 2023 press release](#), the Company has started the process to obtain the appropriate certification to be able to issue Green Bonds to fund its bioleach processing facility in Tenguel, Ecuador. BacTech, in concert with Analytica Securities in Quito, Ecuador, intends to raise up to US\$20M in Green Bond funding.

#### **Community Consultation Process Update**

BacTech also wishes to advise shareholders that the Company has been notified that the Government of Ecuador will officially begin the final review process on June 19, 2023. As previously communicated in its [June 1, 2023 press release](#), this is the final major permit required to approve the Company’s planned project in Tenguel, Ecuador. Upon completion, the facility is expected to be the largest and most efficient bioleaching plant in South America using naturally occurring bacteria, harmless to both humans and the environment, to treat gold and base metal concentrates along with toxic tailings created through local mining operations. BacTech was granted its Environmental Impact Study Permit in September 2022, further illustrating the government’s commitment to the launch of this important project.

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Investor Presentation: [www.bactechgreen.com/investors](http://www.bactechgreen.com/investors)

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