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## NEWS RELEASE

### **BacTech Environmental Establishes Sustainable Bond Framework to Finance Ecuador Bioleach Project**

*Moody's Issues Favourable Rating on BacTech's Proposed Green and Social Bonds*

**TORONTO, CANADA, July 24, 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 it has launched a new Sustainable Bond Framework for the issuance of green and social bond offerings.

Quoting from Moody's public release of today (July 24), “We have assigned an SQS2 sustainability quality score (very good) to BacTech Environmental Corporation's (BacTech) sustainable bond framework dated July 2023, which will finance two green eligible categories and two social eligible categories. The framework is aligned with the four core components of the International Capital Market Association's (ICMA) Green Bond Principles (GBP) 2021 (with June 2022 Appendix 1) and Social Bond Principles (SBP) 2023. **The framework demonstrates a significant contribution to sustainability.**” (Contact the Company for a copy of the full report)

Proceeds from such offerings will finance BacTech's bioleaching facility construction and program development in Tenguel, Ecuador for the liberation of gold and silver from concentrates containing high levels of arsenic and will be allocated to support four eligible project investment areas including pollution prevention and control; sustainable water and wastewater management; socioeconomic advancement and empowerment; and generation of decent and inclusive employment.

“The Sustainable Bond Framework is an important and powerful financial instrument that will help BacTech open doors and access a global pool of sustainable investors interested in financing environmental and social projects,” said Ross Orr, President, and CEO of BacTech Environmental. “This framework will help kick start our near-term bioleach facility financing opportunities, while showcasing the sustainable benefits and socioeconomic contributions that BacTech can make at the community level – from water conservation and helping prevent acid mine drainage, to creating local opportunities for work, training, development, and the start of a new ‘green metal’ industry. I would also like to commend Sequestr for managing the SPO process quickly and efficiently on our behalf.”

Further details on investment opportunities in the focus categories, in addition to the processes for project selection and progress reporting, are outlined in the Sustainable Bond Framework and Moody's SPO.

### **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 \$17.0M
- 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.

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

**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.

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.