

## **FRACTAL SYSTEMS SUCCESSFULLY TESTS BITUMEN AT PILOT FACILITY**

### **Two Month Test Program Shows Dramatic Improvement in Heavy Oil Properties**

Calgary, Alberta – Fractal Systems has successfully tested bitumen at its 300 barrel per day Pilot Facility located in Consort, Alberta. The test ran during the months of May and June 2010 and the Facility processed over 7,000 barrels of bitumen blend that was provided by a producer that is operating a Steam Assisted Gravity Drainage (“SAGD”) project in the Athabasca region of the Canadian Oil Sands. The bitumen blend was obtained from the SAGD facility and trucked to Consort for processing. The bitumen blend included some diluent that was used to enhance separation of oil and water during the production processing at the SAGD site.

Viscosity and density data were captured during the two month test and results show a dramatic reduction in viscosity using JetShear™ processing. Samples of the processed oil were captured and have been analyzed at Fractal’s Sherbrooke laboratory as well as by third party laboratories.

These tests extend the successful results achieved from JetShear™ processing from heavy oil to bitumen. Fractal successfully tested heavy oil during a multi-month test during 2009.

Fractal Systems Inc. is a private Canadian company with offices in Calgary, Alberta and Sherbrooke, Quebec. Fractal is engaged in the business of processing/upgrading heavy-oil and bitumen, by applying proprietary technology that has **significant cost advantage** over alternatives. The company will be active in manufacturing & licensing systems to oil producers and mid-stream companies.

Jetshear™, Fractal System’s first technology, has been **successfully piloted** in Canada. The technology dramatically reduces the viscosity of heavy oil allowing the oil to move more freely in pipelines for transportation. This result provides the owner or transporter of the oil to significantly reduce their costs associated with moving it. In addition, the heavy oil processed by Jetshear™ has a reduced density.