

## FRACTAL SYSTEMS RECEIVES FUNDING FROM SDTC

### Enhanced JetShear™ Project to Receive \$3.7 Million from Canada

Calgary, Alberta – Michel Chornet, Interim President & VP-Engineering & Technology Development, is pleased to announce that Sustainable Development Technology Canada (“SDTC”) has granted a consortium led by Fractal Systems Inc. \$3.7 million to support its Enhanced JetShear™ demonstration project. The award was announced in Quebec on February 16 by the Honourable Greg Rickford, Canada’s Minister of Natural Resources.

Joe Gasca, Executive Director for Fractal stated “We are very pleased with SDTC’s support of \$3.7 million to help fund the commercial field demonstration of Fractal Systems’ innovative Enhanced JetShear™ technology. With the massive reserves of heavy oil and oil sands in Canada and other countries, producers and resource owners are always seeking improved techniques to develop that resource while minimizing cost and environmental footprint. Our JetShear™ technology aids in achieving both of those goals, while also increasing the value by reducing the acidity of the end product.”

Link to SDTC announcement: <https://www.sdtc.ca/en/portfolio/projects/bitumen-diluent-reduction-using-jet-nozzle-technology-platform>

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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.

On behalf of the Government of Canada, SDTC helps bring Canadian clean technologies closer to market, readying them for growth and export markets. Through its SD Tech Fund™, SDTC helps companies through the critical juncture when capital and scaling costs become challenges and the risk profile deters other investors. The SDTC portfolio is currently comprised of 269 clean technology projects with a total value of \$2.5 billion, of which over \$1.8 billion is leveraged primarily from the private-sector.