



News Release

For Immediate Release

July 15, 2020

HTC TO ACQUIRE UP TO 20% EQUITY OWNERSHIP IN HYDROGEN FUELING CORP., LICENSING AGREEMENT AND PRIVATE PLACEMENT

Regina, Saskatchewan - *HTC Extraction Systems* (also the "**Company**" and/or "**HTC**") (**HTC: TSX-V**) (**OTCQB:HTPRF**) announces that, conditional upon TSX Venture Exchange Inc. ("**TSXV**") approval, it intends to acquire up to a twenty percent equity interest in a US based company, Hydrogen Fueling Corp. ("**Equity Interest**"). HTC will pay an aggregate consideration of up to C\$6,500,000, for the Equity Interest, which will comprise of up to 1,216,443 common shares of Hydrogen Fueling Corp. HTC will provide up to C\$5,000,000 in cash and the additional consideration of approximately C\$1,500,000 through the provision of an IP licensing agreement, with particular details as set out below ("**Proposed Transaction**"). This is an arm's length transaction.

HTC is moving forward with its active participation in the accelerating hydrogen fueling infrastructure industry, as result of established vehicle manufacturers (Toyota, Hyundai, Daimler and Volvo) ramping up their delivery schedules of hydrogen powered long haul trucks and cars that will be needing efficient, safe fueling infrastructure. Nikola Motors (NKLA: Nasdaq) has announced it will be manufacturing Hydrogen Electric long-haul vehicles and has received billions of dollars of pre-orders. There are currently under 100 hydrogen fueling stations in the USA versus 150,000 gas stations and 20,000 battery electric vehicle (BEV) recharging stations.

Hydrogen Fueling Corp. is leading the charge in building this infrastructure by buying an advanced, established, cost effective, hydrogen fueling infrastructure IP and product design technology. Hydrogen Fueling Corp.'s advantage over other hydrogen production systems is that it has a small physical footprint and can produce hydrogen fuel, onsite, cost effectively at the individual station level, versus existing more expensive infrastructure that buys hydrogen from large industrial providers and trucks it to individual stations.

Hydrogen Fueling Corp.'s launch strategy includes securing USA Department of Energy infrastructure loans and building out its hydrogen refueling network initially in California, which will allow it to receive upon completion and opening of hydrogen fueling stations attractive hydrogen fueling infrastructure credits under the California Low Carbon Fuel Standard credit program.

As part of the consideration under the Proposed Transaction, HTC and Hydrogen Fueling Corp. will enter into a royalty bearing, intellectual property licensing agreement, whereby HTC will license its hydrogen reformation and process design IP, as well as its CO2 capture and related solvent IP, to Hydrogen Fueling Corp.

Upon completion of the Proposed Transaction, HTC's Chief Technology Officer of 15 years, Dr. Ahmed Aboudheir, and its Senior Process Design Engineer, Dr. Walid El Moudir will be appointed to Hydrogen Fueling Corp.'s Technical Advisory Committee and HTC's Executive Chairman, Lionel Kambeitz, will be

appointed to the Hydrogen Fueling Corp.'s board of directors.

In order to fund the Proposed Transaction, HTC will issue a maximum of 909,090 units ("Units") at a price of C\$5.50 per Unit, for the gross proceeds of up to \$5,000,000 ("Private Placement"). Each Unit will consist of four common shares ("Common Share") and one Common Share purchase warrant ("Warrant"). Each Warrant will entitle the holder, at the holder's option, within 60 days of issuance of the Warrants, to elect to obtain one Hydrogen Fueling Corp. voting common share from HTC's Equity Interest ("Hydrogen Share"), failing which, the holder will receive thirty-two Common Shares of HTC. Each Hydrogen Share will be equal to the value of the shares purchased by HTC for its Equity Interest.

The Common Shares are priced at a discounted market price of C\$0.08 and the Common Shares under the Warrant are priced at C\$0.16. The Common Shares and Warrants issuable under the Units, will be subject to hold periods under applicable securities law and TSXV regulations, for four months and one day, after issuance.

Hydrogen Fueling Corp. is a US private company, and the issuance and or trading of its common shares are subject to US securities laws.

The Private Placement is a non-brokered Private Placement.

Proceeds of the Private Placement will be allocated to acquire the Equity Interest in Hydrogen Fueling Corp.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THE RELEASE.

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HTC corporate developments can be followed on www.htcextraction.com and is traded under the symbol HTC

This press release contains "forward-looking statements" or "forward-looking information" (collectively referred to herein as "forward-looking statements") within the meaning of applicable securities legislation. Such forward-looking statements include, without limitation, forecasts, estimates, expectations and objectives for future operations that are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of HTC. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur or be achieved. This press release contains forward-looking statements pertaining to, among other things, the timing and ability of the Corporation to close the Proposed Transaction and Private Placement, if at all and the timing. Hydrogen Fueling Corp.'s common shares are being obtained through a US prospectus exemption. Any investor intending to exercise its Warrants, will be required to meet a US prospectus exemption, in addition to complying with Hydrogen Fueling Corp.'s disclosure requirements. Any further trading of Hydrogen Fueling Corp. shares will only be allowed through a prospectus exemption and subject to any additional corporate requirements of Hydrogen Fueling Corp.

Forward-looking information is based on current expectations, estimates and projections that involve a number of risks, which could cause actual results to vary and, in some instances, to differ materially from those anticipated by HTC and described in the forward-looking information contained in this press release.

Although HTC believes that the material factors, expectations and assumptions expressed in such forward-looking statements are reasonable based on information available to it on the date such statements were made, no assurances can be given as to future results, levels of activity and achievements and such statements are not guarantees of future performance.

HTC Pureenergy Inc. (OTCQB:HTPRF) trades on the OTCQB Venture Market for early stage and developing U.S. and international companies. Companies are current in their reporting and undergo an annual verification and management certification process. Investors can find Real-Time quotes and market information for the company on www.otcmarkets.com. (links to: <http://www.otcmarkets.com/stock/htprf/quote>