BQE Water

PRESS RELEASE
January 14, 2018

BQE Water Signs Contract for New SART Project in Latin America

VANCOUVER, BC – BQE Water Inc. (TSX-V: BQE), a leader in the management of mine wastewater and metallurgical bleed streams, has entered into a services agreement with a wholly owned subsidiary of a Canadian mining company for the staged implementation of the SART process at an operating gold mine located in Latin America. The driver for this project is the possible extension of the mine life in a cost-effective way that simultaneously minimizes the project's environmental footprint.

In the first stage of the project, BQE Water will complete the SART plant engineering design for construction which will enable the client to confirm the construction budget and overall project economics. Subject to the client's approval in Q2 2019, the project will proceed to implementation. At full capacity, the SART plant is expected to treat up to 600 m^3/hr of leach solution, recycle approximately 6,700 metric tons of cyanide and recover approximately 3,400 metric tons of copper per year.

"We are excited about this project which in terms of its cyanide recycle and copper recovery capacities may become the largest application of SART in the industry to date," said David Kratochvil, the President & CEO of BQE Water. "And with the need to achieve high plant availability and target metallurgical performance quickly following start-up and to maintain excellent SART performance throughout the project life, the client has also expressed interest in BQE Water's services for ongoing plant operations once the plant is commissioned."

About the SART Process
Invented in the mid 90's by Dr. Chris Fleming at Lakefield Research, the SART (Sulphidization-Acidification-Recycling-Thickening) process recovers copper from cyanide leach solution while allowing free cyanide to be recycled back to the leaching of precious metals. This lowers the cost of gold extraction and reduces the environmental footprint of gold mining projects. Fewer than ten industrial scale SART plants have been built and operated globally.

About the Significance of SART for the Gold Mining Industry
Historically, gold producers could not develop deposits containing elevated levels of cyanide soluble copper due to the high cost of processing associated with the metallurgical interference of copper. SART enables ore from these types of deposits to be processed cost-effectively while reducing the environmental footprint which represents a game changer for the industry. Mining companies could increase gold resources reported on their balance sheets and extend the lives of existing mines while improving the sustainability profile of their projects. This is highly significant for the industry that is adopting higher standards of environmental and social responsibility and is faced with the absence of discoveries of major new "clean" gold deposits.

About BQE Water's Expertise in SART
SART represents a natural extension of our core know-how in sulphidization of waste streams produced by mining and metallurgical processing. Over the last two decades, BQE Water has designed, built and operated fifteen sulphidization plants and applied its know-how to four large scale SART plants. Being involved in SART operations has enabled us to improve plant designs and ensure our SART projects

reach and maintain target safety, mechanical, metallurgical and environmental performance. This helps our clients reduce the costs and risks of implementing SART. Recognized as a leader in SART, our project pipeline current includes six new SART projects in different stages of development globally.

About BQE Water
BQE Water is a service provider specializing in water treatment and management for metals mining, smelting and refining. We are helping to transform the way the industry thinks about water in the context of natural resource projects by offering services and expertise which enables more sustainable water management practices and improved overall project performance at reduced risks. BQE Water invests in innovation and has developed unique intellectual property through the commercialization of several new technologies at mine sites around the world for organizations including Glencore, Jiangxi Copper, Freeport-McMoRan and the US EPA. BQE Water is headquartered in Vancouver, Canada and trades on the TSX Venture Exchange under the symbol BQE. Visit www.bqewater.com for more information.

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The Toronto Venture Exchange has not reviewed and does not accept responsibility for the adequacy or the accuracy of this release.

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