

Augusta Successfully Completes Proof-of-Concept Contract

Toronto, Ontario--(Newsfile Corp. - January 10, 2018) - Augusta Industries Inc. (TSXV: AAO) (the "Corporation"), a developer and marketer of patented non-intrusive sensing systems, is pleased to announce that it has successfully completed a proof-of-concept test using the FIBOS Fiber Bragg Grating Technology.

The proof-of-concept contract consisted of FIBOS engineers bonding a number of optical strain sensors to a test jig which was provided by the client. The purpose of the test was to demonstrate that, by using these advanced sensors, the client would be able to detect pressure in a controlled area of the test jig. The client visited the Corporation's facility to view the demonstration firsthand and was then provided the opportunity to ask questions of the engineers.

On the completion of the test, the client advised the Corporation that it was satisfied and requested that the Corporation provide it with a custom solution that will address its specific application. The Corporation and the client also discussed the next phase of the project which would include a design for a clamp-on sensor head and the live testing of a full system.

This clearly shows that FOX-TEK, as a company, is able to meet new demands and, to be able to provide solutions in new areas—such as the nuclear sector.

"The success of the proof-of-concept test clearly demonstrates the ability of the Corporation to address the continuing changing needs of its clients," commented Allen Lone, President and CEO of the Corporation. "The Corporation is continuously pursuing opportunities in previously untapped markets and services."

About the Corporation

Through its wholly owned subsidiaries, Marcon International Inc. ("Marcon") and Fox-Tek Canada Inc. ("Fox-Tek"), the Corporation provides a variety of services and products to a number of clients.

Marcon is an industrial supply contractor servicing the energy sector and a number of US Government entities. Marcon's principal business is the sale and distribution of industrial parts and equipment.

Fox-Tek provides world leading solutions to various sectors including the oil and gas industry. With non-intrusive technologies including fiber-optic sensors and electric field mapping systems, Fox-Tek is able to accurately measure changes that could negatively impact our client's operations.

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