



BacTech Signs Agreement with Di-As to Evaluate BACOX® Bioleaching of Historic Tailings in Kazakhstan

The Di-As-funded program will evaluate the recovery potential of historic sulphide tailings while examining a modern, staged approach to responsible tailings reprocessing.

TORONTO, ONTARIO — September 1, 2026 — BacTech Environmental Corporation (CSE: BAC | OTCQB: BCCEF) (“BacTech” or the “Company”) announces that it has signed a Technical Consulting and Testing Agreement with Di-As Company Ltd. (“Di-As”) to evaluate the application of BacTech’s proprietary BACOX® bioleaching technology to historic tailings in the Zyryanovsk district (now Altay City) in East Kazakhstan.

The program will be funded by Di-As and carried out in three stages, allowing the parties to review the technical results before committing to each successive phase.

The objective is straightforward: determine, through testwork on physical samples, whether BACOX® can liberate and recover gold and silver from sulphide-rich historic tailings, and generate metallurgical data that would inform whether further evaluation of the site is warranted.

BACOX® uses naturally occurring microorganisms to oxidize sulphide minerals, which serve as their energy source. This process helps expose precious metals for downstream recovery while allowing elements such as arsenic to be treated and stabilized. By oxidizing sulphides under controlled processing conditions, BACOX® can also reduce the amount of reactive sulphide remaining in the treated material, potentially reducing a source of long-term acid generation and associated environmental management requirements.

A Modern Approach to Historic Tailings

The Staroe tailings facility received material from the former Zyryanovsk processing operations between 1953 and 1968.

A protocol of the State Reserves Committee of the Republic of Kazakhstan, dated January 2, 2022, records **36.57 million tonnes grading an average of 1.16 grams per tonne gold and 6.62 grams per tonne silver**, together with zinc, lead and copper.

These figures are a historical estimate and are not current mineral resources or mineral reserves under National Instrument 43-101. A Qualified Person has not done sufficient work to classify the historical estimate as a current mineral resource or mineral reserve, and BacTech is not treating it as a current mineral resource or mineral reserve.

The historical estimate is considered relevant because it indicates the general character of the material deposited at the Staroe facility and the historical processing history of that material, and because it is the information on which Di-As based its decision to fund a technical evaluation. It has not been relied upon by BacTech to establish the presence, tonnage, grade or continuity of mineralization at the site, and it does not form the design basis for the three-stage program. BacTech has not independently verified the historical tonnage, grades or the supporting sampling and analytical information.

The historical estimate was prepared and approved under the mineral reserve classification system of the Republic of Kazakhstan, a system inherited from the former Soviet Union and administered by the State Reserves Committee. Under that system, mineral reserves are assigned to categories A, B, C1 and C2, and prognostic (undiscovered) resources to categories P1, P2 and P3, principally on the basis of drilling and sampling density and the resulting level of geological confidence, and against economic parameters ("konditsii") approved by the State Reserves Committee. The material described in the January 2, 2022 protocol is reported in category [insert the category or categories shown on the protocol — e.g. C1 and C2].

The CIM Definition Standards on Mineral Resources and Mineral Reserves, which are incorporated into National Instrument 43-101, use the categories Measured, Indicated and Inferred for mineral resources and Proven and Probable for mineral reserves. In terms of geological confidence alone, Kazakh categories A and B are broadly analogous to a Measured Mineral Resource, category C1 to an Indicated Mineral Resource and category C2 to an Inferred Mineral Resource, and the P categories have no CIM equivalent. The categories are not equivalent, however, and no direct conversion between them is possible, for the following reasons: (i) a CIM Mineral Resource must demonstrate reasonable prospects for eventual economic extraction as assessed by a Qualified Person, whereas Kazakh balance reserves are determined against economic parameters approved by a state committee; (ii) CIM categories are assigned by a Qualified Person exercising professional judgement, whereas Kazakh categories are assigned through a state approval process; (iii) Kazakh categories are reported in situ and do not incorporate the mining, processing, metallurgical, economic and other modifying factors that a CIM Mineral Reserve requires, so a Kazakh "reserve" is not a CIM Mineral Reserve; and (iv) the CIM Definition Standards require Qualified Person verification of sampling, analytical, quality-control and density data and documentation of the estimation methodology, and the extent to which the historical work meets those requirements has not been established. In order for the historical estimate to be upgraded to, or verified as, a current mineral resource under National Instrument 43-101, a Qualified Person would need to complete the following work: compilation, review and validation of the State Reserves Committee protocol and the underlying drilling, sampling, survey, assay and density records, including the quality-control data supporting them; a topographic and volumetric survey of the Staroe tailings facility, including probing or drilling to establish the base of the tailings, in order to confirm the contained volume;

a verification drilling and sampling program conducted under the supervision of a Qualified Person on a defined grid across the facility, sufficient to test the historical grades and to characterise grade variability with depth; determination of in-situ dry bulk density on representative material, in order to convert volume to tonnage; analysis of samples at an accredited laboratory under a documented quality-assurance and quality-control protocol, including certified reference materials, blanks, field duplicates and umpire assaying at a second accredited laboratory; re-estimation of tonnage and grade into a three-dimensional block model using methods and category definitions consistent with the CIM Definition Standards; and an assessment by a Qualified Person of whether the material has reasonable prospects for eventual economic extraction, which would draw on the metallurgical testwork described below, followed by the preparation and filing of a technical report prepared in accordance with National Instrument 43-101.

None of this work has been completed, and it does not form part of the three-stage program described in this news release. The Company has not determined the cost or timing of such work, and there is no assurance that it will be undertaken or, if undertaken, that it would confirm the historical estimate. For Di-As, the program represents a staged approach to evaluating whether historic mining material can be reprocessed using modern technology, rather than committing to a large-scale development before the metallurgy and environmental performance are understood.

Three-Stage Program

The three-stage program is a metallurgical testwork program. Its scope, design and results will be based on physical samples collected from the Staroe facility under the supervision of a Qualified Person and analysed at accredited laboratories, and not on the historical estimate described above. The program is not designed to, and will not, verify the historical estimate or establish a current mineral resource.

Stage 1 — Site Assessment and Initial Testing

BacTech will review available technical information and undertake a site assessment and supervised testing program. Diagnostic testing will help determine how much of the gold is associated with sulphide minerals and therefore potentially refractory to conventional cyanide processing.

Stage 2 — BACOX® Amenable Testing

Representative material will undergo bench-scale biological oxidation testing at ALS Laboratories in Perth, Western Australia.

Testing will compare gold and silver recovery following BACOX® treatment against direct cyanidation, and will examine sulphide oxidation performance and arsenic stabilization behaviour.

This stage is designed to answer the key technical question: **does BACOX® materially improve the treatment of this specific material?**

Stage 3 — Preliminary Engineering and Cost Study

Subject to positive results from the earlier stages, BacTech will develop preliminary engineering and costing for a nominal 50-tonne-per-day BACOX® circuit, together with a possible modular pathway to approximately 100 tonnes per day. The nominal throughput reflects BacTech's standard modular plant configuration and the capacity of Di-As's new processing infrastructure. It has not been derived from, and does not imply, any estimate of the tonnage or grade of material available at the site, and no mine life or production rate should be inferred from it.

The study will also consider how a future BACOX® circuit could integrate with Di-As's new carbon-in-leach ("CIL") processing infrastructure.

Stage 3 is an internal preliminary engineering and cost study. It is not, and is not intended to constitute, a Preliminary Economic Assessment, Pre-Feasibility Study or Feasibility Study under National Instrument 43-101. Because no current mineral resource has been estimated for the Staroe tailings facility, no economic analysis of a mineral project at the site can be prepared or supported at this time. BacTech does not intend to disclose the findings of the Stage 3 study, including any capital or operating cost estimate, projected recovery, cash flow, rate of return or other economic result, unless and until it is in a position to file a technical report prepared in accordance with National Instrument 43-101 supporting that disclosure.

The three-stage program, funded by Di-As, has an estimated value of US\$350,000 to US\$425,000 and is expected to take approximately 26 to 34 weeks.

These are contractual terms only. No decision to construct a plant has been made, and there is no assurance that the three-stage program will be completed, that a construction decision will be made, or that any metals will be produced.

Building Value Through Responsible Reprocessing

Beyond the potential recovery of precious metals, the program will provide information about how sulphides and arsenic behave during biological treatment.

This is important because historic tailings can represent both a potential source of recoverable metals and a long-term environmental management challenge.

By funding the technical work in stages, Di-As is taking a measured approach: understand the material first, demonstrate the process through laboratory testing, and only then evaluate whether further investment is justified.

Subject to successful test work and future commercial-scale development, the parties may also consider whether elements of BacTech's developing Zero Tailings™ technology could have future application at the site.

Zero Tailings™ is not part of the current three-stage program, and its suitability for this material has not yet been established.

Management Commentary

“This is exactly the type of technical challenge we believe BACOX® is well suited to investigate — historic sulphide material containing precious metals that may be difficult to recover through conventional processing alone. It is also the first transaction structured to begin with BACOX®, with Zero Tailings™ potentially to be added once that technology is commercialized,” said **Ross Orr, President and CEO of BacTech**.

“What I particularly like about this program is the staged approach. Di-As is funding the technical work needed to understand both recovery and environmental performance before anyone makes a larger development decision. If the results are positive, we then have a clear technical pathway to the next stage. It is a disciplined way to develop a project and a model we believe could have application to other historic tailings opportunities internationally.”

“Historic tailings should be evaluated with modern technology and modern environmental standards,” said **Sergei Shipovsky, CEO of Di-As**. “Our objective is to understand whether this material can be responsibly reprocessed to recover value while improving its long-term management. Working with BacTech allows us to evaluate that opportunity step by step before making further investment decisions.”

Agreement Effectiveness and Future Development

The Agreement will become effective 30 days following formal commissioning of the new CIL processing plant in Altay City and contains an 18-month longstop date.

If the technical program is successful, BacTech and Di-As may consider a future commercial arrangement relating to the deployment of BACOX® technology.

Any future commercial development would remain subject to additional technical work, appropriate verification of the historical information, engineering, permitting, financing and definitive agreements.

Qualified Person

The scientific and technical information contained in this news release has been reviewed and approved by Ricardo Valls, P.Geo, a Qualified Person as defined by National Instrument 43-101 — Standards of Disclosure for Mineral Projects. Mr. Valls is a consulting geologist with Valls Geoconsultant engaged by the Company on a contract basis, and is independent of the Company within the meaning of section 1.5 of National Instrument 43-101. Mr. Valls has not visited the Staroe tailings facility. The Qualified Person has not independently verified the historical

estimate or all of the historical sampling, analytical, density and estimation information underlying it. Accordingly, BacTech is not treating the historical estimate as a current mineral resource or mineral reserve.

About Di-As Company Ltd.

Di-As Company Ltd. is a Kazakhstan-based participant in the development of the Zyryanovsk/Altay project. The company is supporting the evaluation of modern processing technologies for historic tailings at the site and is funding the current staged BACOX® technical program.

Through the program with BacTech, Di-As is evaluating opportunities to improve metal recovery while better understanding the environmental performance and long-term management of historic tailings material.

About BacTech Environmental Corporation

BacTech Environmental Corporation is an environmental technology company specializing in bioleaching solutions for the mining and remediation industries.

BacTech's proprietary BACOX® process uses naturally occurring microorganisms to oxidize sulphide minerals, enabling the recovery of valuable metals while helping treat problematic elements such as arsenic.

The Company is advancing its 50-tonne-per-day bioleach project in Ecuador and developing its Zero Tailings™ technology in Sudbury, Canada.

For Further Information

Ross Orr

President & CEO

BacTech Environmental Corporation

Tel: 416-813-0303 ext. 222

Cell: 416-346-5529

Email: borr@bactechgreen.com

Ross Orr, President and CEO of BacTech, is responsible for the contents of this news release.

Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements and information within the meaning of applicable Canadian securities legislation, including statements regarding the timing and completion of the technical program, commissioning of the CIL plant, results of BACOX®

testing, progression through the three-stage program, future engineering and commercial development, and potential future application of Zero Tailings™ technology.

Forward-looking statements are based on management's current expectations and assumptions and involve risks and uncertainties that may cause actual results to differ materially. These include the possibility that the Agreement does not become effective, test work does not demonstrate acceptable technical results, historical information cannot be satisfactorily verified, or future engineering, financing, permitting or commercial agreements cannot be completed.

Readers are cautioned not to place undue reliance on forward-looking statements. BacTech undertakes no obligation to update such statements except as required by applicable securities laws.

The Canadian Securities Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the contents of this release.