



## **EXPANDER RECEIVES ALBERTA ENERGY REGULATOR APPROVAL TO BUILD CANADA'S FIRST COMMERCIAL GAS TO LIQUIDS PLANT**

**CALGARY, ALBERTA (July 12, 2017)** - James Ross, CEO of Expander Energy Inc. ("Expander"), is pleased to announce that Expander has received Alberta Energy Regulator approval to build and operate Canada's first commercial gas to liquids ("GTL") plant.

Expander, through its subsidiary, Rocky Mountain GTL Inc., intends to build the Enhanced GTL® ("EGTL™") plant at Carseland, Alberta to process ~5.0 MMscfe/d of natural gas and natural gas liquids into 500 bbl/d of paraffinic synthetic diesel and naphtha. This plant will incorporate a number of Expander enhancements in that it will be water neutral, generate excess power and convert process CO<sub>2</sub> into additional synthetic diesel.

Expander has entered into a multi-year natural gas supply agreement with Manito Energy Inc. (TSX Venture: MEI) ("Manitok") to provide feedstock from its Carseland gas plant to the Expander GTL plant. Under the terms of agreement, Manitok agrees to supply 3.7 to 5.0 MMscf/d or Btu equivalent of natural gas and natural gas liquids subject to available production and reserves. The GTL plant will provide incremental processing capacity to allow Manitok to increase its oil production in the area beyond its current plans. An offtake agreement is also in place for 100% of the synthetic diesel produced, to be marketed as SynDiesel®.

The two companies are reviewing the application of Expander's technologies to other Manitok properties exhibiting the same high gas liquids content in the production stream, such as the Stolberg and Willesden Green areas in west central Alberta. Expander's EGTL™ process is ideal for processing shale gas and solution gas, such as the Montoney and Duvernay, into higher value SynDiesel®.

The Expander GTL plant will be the first of its kind.

### ***About Expander***

**Expander is a leading developer and licensor of processes to convert carbon sources into valuable synthetic fuels. Our engineered fuels are ultra-clean**

burning and complement existing transportation fuel infrastructure and current engine technologies. Our fuels reduce GHG emissions and are produced from carbon rich materials such as natural gas, biomass, bitumen residuals, petcoke and municipal solid waste. We strive to deliver an alternative, drop in fuel through patented technology to provide economic growth for Alberta and Canada while being environmentally conscious.

Expander has a team of energy industry professionals dedicated to developing and commercializing Carbon Management and Utilization solutions for Canada's energy industry. Expander is a privately-held energy company located in Calgary, Alberta, Canada.

For further information and licensing opportunities please contact:

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### **Forward-Looking Information**

This news release contains "forward-looking information" within the meaning of Canadian securities legislation. Forward-looking information generally refers to information about an issuer's business, capital, or operations that is prospective in nature, and includes future-oriented financial information about the issuer's prospective financial performance or financial position.

The forward-looking information in this news release relate to Expander's plans to build and operate Canada's first commercial GTL plant.

Expander made certain material assumptions to develop the forward-looking information in this news release, including assumptions about the availability of financing to build the GTL plant and the demand for paraffinic synthetic diesel and naphtha.

Actual results may vary from the forward-looking information in this news release due to certain material risk factors. For example, Expander can give no assurance that financing will be available, or available on terms acceptable to Expander. Furthermore, there can be no assurance that there will be sufficient demand for paraffinic synthetic diesel and naphtha to make the plant economical even if financing is available on terms acceptable to Expander.

Expander assumes no obligation to update or revise the forward-looking information in this news release unless it is required to do so under Canadian securities legislation.