



FRACTAL SYSTEMS ANNOUNCES APPOINTMENT OF RICHARD MASSON AS CHIEF COMMERCIAL OFFICER

Calgary, Alberta September 24, 2018 – Fractal Systems, Inc. (“Fractal”), a privately-owned technology company engaged in the business of developing proprietary partial upgrading technology solutions for bitumen producers, is pleased to announce the appointment of Mr. Richard Masson as Chief Commercial Officer of Fractal Systems, effective September 1, 2018.

Richard, a seasoned project development and governance executive within the Calgary energy community, will lead the commercial implementation and go-to-market plans for Fractal’s partial upgrading technology. Fractal’s Enhanced JetShear™ technology has proven its ability to dramatically improve netbacks, lower the viscosity of bitumen, increase bitumen volumes shipped in existing pipelines and reduce overall greenhouse gas emissions. Under Richard’s commercial oversight, Fractal will focus on deploying Enhanced JetShear™ commercially at bitumen production sites and regional pipeline terminals.

The depth of Richard’s skills, knowledge and experience will be invaluable to the rapid deployment of Fractal’s solutions on a commercial scale. Richard has over 30 years of experience focused on energy project development and improving crude oil infrastructure and market access, including with Shell, Nexen and most recently the Alberta Petroleum Marketing Commission, where he was CEO. He joins Fractal’s management team at a critical juncture as many large scale bitumen producers are seeking solutions to enhance netbacks and optimise existing pipeline capacity.

Joe Gasca, Chairman of Fractal Systems, commented: “We are delighted to welcome Richard to the team in the role of CCO during this key period in Enhanced JetShear’s development. His passion, industry relationships and expertise developing large scale energy projects will help Fractal reach our ultimate goal of achieving wide-spread industry adoption of our proven partial upgrading technology.”

In addition to his role with Fractal, Richard is also Vice-Chair of the Board of Governors of the University of Lethbridge, and its Audit Committee Chair. He is also a First Vice-Chair of the World Petroleum Council-Canada, an Executive Fellow of the University of Calgary School of Public Policy and an Advisory Board member for Iridium Risk Management. Richard holds MBA, CFA and ICD.D designations.

About Fractal:

Fractal Systems Inc. is a private Canadian technology company focused on the advancement of innovative technology solutions for partially upgrading heavy-oil and bitumen. Fractal’s technologies will enable oil sands companies to reduce their environmental impact while realizing significant operating and transportation cost advantages over existing upgrading alternatives. Fractal’s current technology platform includes JetShear™, Enhanced JetShear™ and Acid Reduction Process™, which have concluded field testing and are ready for commercial deployment with oil producers and midstream companies. Fractal has offices in Calgary, Alberta and Sherbrooke, Quebec.



The JetShear technology platform is designed to significantly reduce the cost of transporting bitumen and extra-heavy oil and improve the price received for the product by reducing the TAN or total acid number (i.e. a measure of the acidity of crude oils); improve bitumen export pipeline utilization leading to a 20 to 25% increase in export capacity; and reduce the greenhouse gas footprint compared to the status quo of shipping conventional dilbit.

New technologies and approaches will be required to manage sustainable growth in the oil sands for the benefit of Canada, North America and the world. Fractal's technology platform can play a vital role in improving producer operating margins while also improving the greenhouse gas footprint and long-term sustainability of the oil sands.

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