



## **FRACTAL SYSTEMS APPOINTS GREG PHANEUF AS CHIEF FINANCIAL OFFICER**

Calgary, Alberta – February 6, 2019 – Fractal Systems, Inc. (“Fractal” or the “Company”), 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. Greg Phaneuf as Chief Financial Officer of Fractal Systems, effective February 1, 2019.

Greg brings more than 27 years of combined experience in capital markets, corporate development and business strategy, with an entrepreneurial track record. He co-founded Seven Generations Energy (TSX: VII), a multi-billion dollar oil and gas company that was initially funded by several world-class private equity firms. He was also a co-founder of Toro Oil & Gas, a high-growth oriented TSX-V listed energy company that was acquired in early 2017.

Greg previously served as the Treasurer of Western Oil Sands, which ultimately sold to Marathon Canada at an enterprise value of \$7.1 billion. Greg also held the position of Senior Vice President, Corporate Development at Ivanhoe Energy where he was largely responsible for all corporate mergers and acquisitions activities in addition to capital markets requirements. Ivanhoe developed its own patented partial upgrading process technology and Greg was instrumental in supporting other team members with global business development initiatives regarding the technology. To date, Greg has led financing initiatives totalling over \$2 billion, spanning the capital continuum and across the broader investment community.

Greg will have primary responsibility for Fractal’s financial obligations including, but not limited to, fundraising and liquidity objectives, balance sheet discipline, financial and governmental reporting, treasury and tax functions. In addition, Greg will assist other members of the Fractal team with the commercial implementation and overall business strategy for the Company’s proprietary partial upgrading technology.

“With Greg’s appointment, we solidify a key member of the executive team,” commended Ed Veith, President and Chief Operating Officer of Fractal. “Greg’s entrepreneurial track record and passion, combined with his energy, commitment to ethical and practical business behavior, and depth of knowledge in the capital markets will be invaluable as Fractal advances the commercialization and funding of its first project with the overall goal of achieving global industry adoption of our technology.”

### **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.

For further information, please contact:

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