



## **FRACTAL SYSTEMS ANNOUNCES APPOINTMENT OF RICHARD MASSON TO BOARD OF DIRECTORS**

Calgary, Alberta (November 20, 2020) – Fractal Systems Inc. (“Fractal”), a privately-owned technology company engaged in the business of developing proprietary diluent reduction and partial upgrading technology solutions for bitumen producers, is pleased to announce the appointment of Mr. Richard Masson, its Chief Commercial Officer, to its Board of Directors, effective November 1, 2020.

Richard joins the Board to help it guide the commercial implementation of Fractal’s proprietary technology portfolio, including its Enhanced JetShear™ (“EJS”) technology. This technology has proven its ability to improve producer margins by cost effectively lowering the viscosity of bitumen, which reduces the need for diluent by ~60%, increases the capacity of new or existing pipelines by ~20% and reduces wells-to-tank greenhouse gas emissions by ~11%. Fractal is currently focused on deploying this technology commercially via the Enhanced JetShear Regional Hub project it is developing with its partner CSV Midstream Solutions, who will finance, build, own and operate the project.

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.

Joe Gasca, Chairman of Fractal Systems, commented: “We are delighted to welcome Richard to the Board as we embark on this key period in Enhanced JetShear’s deployment. His perspective, relationships, and experience are valuable additions to our Board which will support the timely achievement of our corporate objectives.”

In addition to his current CCO role with Fractal, Richard is also Chair of the Canadian Association for the World Petroleum Council, which will be hosting the 2023 World Petroleum Congress in Calgary, Alberta. He is an Executive Fellow in the University of Calgary School of Public Policy and an Advisory Board member for Iridium Risk Management. He was previously Vice-Chair of the Board of Governors of the University of Lethbridge, and its Audit Committee Chair. Richard holds MBA, CFA and ICD.D designations.

### **About Fractal**

Fractal Systems Inc. is a venture-backed 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, EJS and Acid Reduction Process (“ARP”), which have concluded field testing and are ready for commercial deployment with oil producers and midstream companies. Fractal has offices in Calgary, Alberta and a lab facility in Sherbrooke, Quebec.

In 2013, Fractal entered into technology and testing agreements with Cenovus Energy Inc. (“Cenovus”), resulting in diluted bitumen testing at Fractal’s 1,000 bpd JetShear demonstration facility. In 2015, Sustainable Development Technology Canada (“SDTC”) awarded Fractal and Cenovus \$3.7 million of funding to conduct field trials of the newly-developed EJS and ARP technologies. This facility underwent



a retrofit and expansion and the expanded facility operated from late August 2016 through August 2017. This facility processed over 225,000 barrels of partially-diluted bitumen produced at Cenovus' SAGD operations. The facility achieved approximately 50% diluent displacement and reduced the total acidity number ("TAN") and olefinic content of the product to exceed industry quality thresholds.

In February of 2019, Fractal announced that it had been awarded funding of \$7.2 million from SDTC and \$5.0 million from Emissions Reduction Alberta to support the development of the EJS Regional Hub project. In March 2019 Fractal announced that it signed a non-binding term sheet with Cenovus to provide long-term supply to the EJS Regional Hub Project. In January, 2020 Fractal announced that it signed an agreement with CSV Midstream Solutions to finance, build, own and operate the EJS Regional Hub project.

For further information, please contact:

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