

BacTech Environmental Corp. is Pleased to Announce the CBOE Approval of a Royalty Sale to Silver Crown Royalties Inc

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[BacTech Environmental Corp.](#) ("BacTech") (CSE:BAC, OTCQB:BCCEF) is pleased to announce the CBOE approval of a royalty sale to [Silver Crown Royalties Inc.](#) ("Silver Crown," "SCRi," or the "Company") (CBOE:SCRi; OTCQX:SLCRF; FRA:QS0), as outlined in the definitive royalty purchase agreement (the "Agreement") announced on October 28, 2024.

Under the Agreement, Silver Crown acquires a silver royalty on BacTech's planned bioleaching facility in Tenguel, Ecuador (the "Project"). The 10-year term for the annual royalty equates to the cash equivalent of the greater of (i) 90% of the silver processed at the facility, or (ii) minimum annual payment of 35,000 ounces of silver. Royalty payments become due on a quarterly basis after one year from the commencement of commercial operation of the Project.

The total purchase price for the royalty includes:

1. C\$1,000,000 in SCRi units, issued at a deemed value of C\$10.00 per unit. Each unit comprises one common share of SCRi and one warrant to purchase an additional common share at C\$16.00 within 36 months.
2. 100,000 special warrants, exercisable into 100,000 SCRi common shares upon BacTech securing financing for the Project.
3. 200,000 special warrants, exercisable into 200,000 SCRi common shares upon achieving commercial production. Notably, Silver Crown's press release on October 28, 2024, incorrectly stated that the 300,000 special warrants were exercisable into units rather than common shares. The partnership with Silver Crown Royalties significantly impacts BacTech's financial outlook in several ways:
 1. Strengthened Balance Sheet: BacTech can receive CAD\$4 million in Silver Crown Royalties shares, potentially adding substantial value to its balance sheet.
 2. Upfront Capital: The agreement provides BacTech with upfront capital through share issuances, which can be used for project development.
 3. Minimal Revenue Impact: The silver royalty represents only about 1.2-1.3% of BacTech's projected total revenues from the Tenguel plant, allowing the company to maintain focus on its core gold recovery operations.
 4. Long-term Partnership: The 10-year agreement provides a stable, long-term relationship that could lead to future collaborations on other silver-producing projects. Milestone-based Funding: The phased issuance of shares aligns with BacTech's project development milestones, providing additional financial support at crucial stages
 5. Market Exposure: As a shareholder in Silver Crown, BacTech gains exposure to potential upside in silver prices and Silver Crown's performance.
 6. Operational Focus: By monetizing its silver production, BacTech can concentrate on its core bioleaching technology and gold recovery operations while still benefiting from silver production.

This partnership allows BacTech to unlock value from its silver byproduct while maintaining its focus on environmental technology and gold recovery, potentially improving its overall financial position and project

