



## News Release

For Immediate Release

April 20, 2015

### **HTC Pureenergy Inc. (dba “HTC Pureenergy”) announces financial results for fiscal year ending December 31, 2014**

**Regina, Saskatchewan - HTC Pureenergy** (the “Corporation” and/or “HTC”) today announced its audited financial results for the fiscal year ending December 31, 2014 (“Year”).

**HTC Pureenergy (HTC: TSX-V)** and its subsidiaries are participating in two Industry Sectors – **Energy Solutions** and **Agricultural Products and Services**. The two diverse markets provide the Corporation with “STRENGTH THROUGH DIVERSIFICATION”.

#### **Energy Solutions Sector:**

The Energy Technologies and CO<sub>2</sub> Systems Market Sector’s mandate is to develop and commercialize the technologies that satisfy these requirements and to commercialize this product offer world-wide. **HTC** has developed cost-effective energy technologies and CO<sub>2</sub> capture solutions for the power generation, oil and gas and industrial food grade CO<sub>2</sub> markets that are easier to build, operate and maintain. **HTC** participates in this sector through its commercial entity: *HTC CO<sub>2</sub> Systems Corp.*, within its proprietary **LCDesign™** and **PDOengine™** technologies.

The Industrial and Energy Services Sector is focused on servicing industry and energy by providing services for industrial facilities, potash mines, oil and gas producers, and drilling service contractors in Western Canada and the North Central United States. The commercial operating entity servicing this sector is Pinnacle Industrial Services.

Maxx Energy provides a diverse line of high technology products such as the Guardian Pipe Handling Systems, Maxx Advanced Mud Control Systems, specialized drilling mud mixing and handling systems and customized frack water tankage and pond systems. These newly developed products generate higher sale volumes and are differentiated from other standard oil field products because of their automation and advanced technologies utilized in their design.

#### **Agricultural Products and Services Sector:**

NuVision Fertilizer and Grain Handling (“NuVision FHS”) offers a superior lineup of fertilizer and grain handling and blending equipment and facilities for the Western Canadian market. It operates out of its head office in Carseland, Alberta, with a newly opened satellite sales and service center in Regina, Saskatchewan. Both of these locations can design, build, retrofit, and service new and existing fertilizer and grain facilities. With over 20 years’ experience and over a

hundred successfully installed Fertilizer Handling Systems, NuVision FHS are considered to be the leader in designing, building and servicing fertilizer plants in Western Canada.

As larger corporate farms look to increase their commercial efficiencies, **GrainMaxx™** has taken the grain handling market to a new level with its new **GrainMaxx™** brand of telescopic swing augers. The **GrainMaxx™** auger provides one operator with the capability to fully manage the grain loading and unloading process, using newly developed fully integrated telescopic swing auger technology. In addition, the unique **GrainMaxx™** telescopic swing auger system allows one operator to position the auger under the grain truck using an advanced “reach and retract” telescopic drive system. **GrainMaxx™** markets its full line of grain augers through an extensive dealer network in North America.

## **Financial Results**

Selected financial information of HTC is summarized below. Financial results for HTC have been prepared in accordance with International Financial Reporting Standards.

	Fiscal Year Ending <u>December 31, 2014</u>	Fiscal Year Ending <u>December 31, 2013</u>
Total Assets	\$29,192,713	\$30,268,659
Current Liabilities	\$7,672,927	\$5,966,889
Revenue	\$34,430,373	\$27,641,097
Expenses	\$34,786,499	\$26,516,965
Net Income (Loss)	\$(364,725)	\$4,665,103
Comprehensive Net Income (Loss)	\$(2,112,064)	\$5,094,376
Common Shares outstanding as of year end	30,309,195	28,309,195
Weighted Average Shares Outstanding - Basic	29,454,400	27,241,387
Weighted Average Shares Outstanding - Diluted	38,304,400	35,341,387
Profit (Loss) per Common Share (weighted average)	\$(0.01)	\$0.17
Fully Diluted Profit (Loss) per Common Share (weighted average)*	\$(0.01)	\$0.13

*\*Diluted net loss per common share is not presented, as the effect would be anti-dilutive.*

Total assets for the Year were \$29,192,713 compared to \$30,268,659 as at December 31, 2013. The primary reasons for the decrease were due to market adjustments resulting in unrealized losses on investments, ongoing amortization of goodwill, intangibles patents, and operations.

Current liabilities were \$7,672,927 for the Year as compared to \$5,966,889 as at Dec. 31, 2013. The increase is due to timing and activity levels and increase in current portion of long term debt.

For the Year the Corporation had operating revenue of \$34,430,373 (Dec. 31, 2013 - \$27,641,097) of which \$30,275,054 (December 31, 2013 - \$26,153,248) came from Maxx Group of Companies (“Maxx”) (Pinnacle\NuVision) operations and \$4,155,319 (December 31, 2013 - \$1,487,849) came from engineering and process design. The increase in engineering design revenue is attributed to the commencement of work on the Husky/Lashburn Project CO2 capture

facility. The increase in Maxx operations is attributable to timing as well as increases in size and number of projects in respect to the Year.

Costs of sales reflect manufacturing and sales costs associated with Maxx and its subsidiaries. The increase reflects the nature and timing of the projects as well as the associated margin.

Engineering and process design services include costs associated with the provision of engineering services. These amounts will vary with activity and project progress. Services for the Year were \$3,758,141 as compared to \$1,360,310 at December 31, 2013 reflecting increased activity associated with the Husky/Lashburn Project.

Commercialization, product development and administrative expenses for the Year were \$8,459,477 as compared to \$7,751,293 for the prior year. The increase in 2014 is primarily due to expansion of operations of one of its subsidiaries in anticipation of expanding operations and expansion of crane services, as well as rising administrative and compliance costs.

Amortization for the Year was \$581,181 (December 31, 2013 – \$592,657). Amortization related to amortization of product development costs, patents and intangibles associated with the acquisitions of subsidiaries was \$104,595 (December 31, 2013 - \$162,414). The remaining amortization is attributable to tangible assets. The reduction in amortization reflects the December 31, 2013 decision to write down intangibles that were previously subject to amortization.

Finance expense realized during the Year was \$44,112 (December 31, 2013 - \$48,272).

For the Year, the Corporation had operating loss of \$313,523 as compared to income of \$617,939 from operations for the year ending December 31, 2013. Decrease in operating income is primarily related to the nature and timing of completion of the projects in the order book pipeline, as well as rising operational and compliance costs.

Net loss for the Year was \$364,724 compared to income of \$4,665,103 in the prior year of which \$4,855,987 is not reoccurring. The 2013 income amounts included the results of one-time gains on the disposition of various assets as part of an overall corporate reorganization of \$4,855,987. When the effect of this gain is reversed, the revised 2013 loss for comparative purposes is \$190,884. The decrease in income is primarily attributable to timing issues, completion of lower margin projects in the order book pipeline, cost related to the utilization of out-sourced field labour due to labour shortages, aggressive product development initiatives, intellectual property development and related administrative costs.

Comprehensive income includes the unrealized losses on investments classified as available for sale of \$1,747,340 (December 31, 2013 – \$429,723 (gain)) and represents the net change in the carrying value of the investments in EESTech Inc., Kingsland Energy Corp. and USA Synthetic Fuel Corporation to the quoted value. These adjustments do not involve cash.

Comprehensive net loss for the Year was \$2,112,064 after considering the effects of the unrealized gains on financial assets available for sale and intangibles above, as compared to comprehensive income of \$5,094,376 in the prior year, which includes a one-time gains of \$4,855,987.

*The information and opinions expressed herein involve known and unknown risks and uncertainties that may cause the Corporation's actual results or outcomes to be materially*

*different from those anticipated and discussed herein. In assessing forward-looking statements contained herein, readers are urged to read carefully all cautionary statements contained in this news release, and in those other filings with the Corporations' Canadian regulatory authorities as found in 'www.sedar.com'. Although we believe that the expectations reflected in our forward-looking statement are reasonable, we cannot guarantee future results, levels of activity, performance or achievements or other future events. We are under no duty to update any of our forward-looking statements after the date of this news release, other than as required and governed by law.*

***NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THE RELEASE.***

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HTC Pureenergy corporate developments can be followed on [www.htcenergy.com](http://www.htcenergy.com) and is traded under the symbol **HTC**