



## News Release

For Immediate Release

May 29, 2013

### **HTC Pureenergy Inc. (dba "HTC Pureenergy") announces unaudited condensed consolidated financial results for the first quarter period ending March 31, 2013**

Regina, Saskatchewan - **HTC Pureenergy** (the "Corporation" and/or "HTC") today announced its unaudited condensed consolidated financial results for the first quarter period ending March 31, 2013 (the "Quarter" or the "Period").

**HTC Pureenergy (HTC: TSX-V)** and its subsidiaries are development stage companies who are participating in **three commercial market sectors** each with strong potential for immediate revenue growth and profitability, namely:

- **Energy Technologies and CO<sub>2</sub> Systems Market Sector**- Companies doing business in the energy industry are looking for cost effective methods and new energy technologies to produce their products, while at the same time being environmentally sustainable and profitable. 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 entities - **HTC CO<sub>2</sub> Systems Corp.** and **SRS Solvent Reclaimer Systems.**
- **Oil and Gas Equipment Supply and Service Market Sector** has and continues to be a strong growth market in Western Canada and the United States. The sector is focused on providing a complete product line of manufactured oil field equipment and services for oil and gas producers and drilling service contractors in Western Canada and the North Central and North Eastern United States. The commercial operating entities servicing this sector are: **Pinnacle Industrial Services, MaxxEnergy** and **SteelBlast Coatings and Painting.**
- **Fertilizer and Grain Handling Solutions Market Sector** – Today's high yield fertilizers used in the increasingly larger corporate farming operations in Western Canada, demand sophisticated fertilizer blending systems that can provide the required fertilizer blend in a timely and cost effective manner. The Fertilizer and Grain Handling Solutions

market sectors are riding the wave of increased demand for high throughput, high capacity, fertilizer blending and grain handling in rural Western Canada.

The **NuVision Fertilizer Handling Solutions** entity manufactures fertilizer handling equipment and constructs high capacity fertilizer blending equipment.

The **GrainMaxx Telescopic Swing Augers** entity manufactures and distributes grain transfer augers in Canada and the United States.

## **Financial Results**

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

	<u>3 Month Period</u> <u>Ending March 31, 2013</u>	<u>3 Month Period</u> <u>Ending March 31, 2012</u>
Revenue	6,145,137	6,510,239
Expenses	5,690,781	6,330,579
Net Income (Loss) from Operations	317,608	180,273
Net Income (Loss) from Operations after equity investments	3,242,115	(70,960)
Comprehensive Net Income	5,549,325	(60,587)
Total Assets	30,940,185	25,738,492
Current Liabilities	6,746,810	6,948,550
Long Term Debt	746,021	1,634,258
Common Shares outstanding	25,559,195	17,959,195
Weighted Average Shares Outstanding - Basic	24,387,962	17,959,195
Weighted Average Shares Outstanding - Diluted	29,587,962	19,704,195
Profit (Loss) per Common Share (weighted average) * see commentary below	0.13	(.01)
Fully Diluted Profit (Loss) per Common Share (weighted average)* see commentary below	0.11	-

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

Earnings per share for the Period (shown above), is not believed to be representative of ongoing operations as it is impacted by a \$3,215,204 non-reoccurring gain arising on the disposition of EHR Enhanced Hydrocarbon Recovery Inc. (“EHR”). If the effects of this gain were eliminated, revised basic earnings per share would be \$0.001 and fully diluted earnings per share would be \$0.0009. When the effect of the sale of EHR is considered there is a slight improvement in earnings per share in comparison to the prior period. (The sale of EHR was announced July 25, 2012 subject to various approvals, received minority shareholder approval on September 18, 2012 and was completed on January 29, 2013).

For the Period the Corporation had operating revenue of \$6,145,137 (March 31, 2012 – \$6,510,329). The decrease in revenue is attributing to time of project completion and normal quarterly fluctuations.

Net Income for the Period was \$3,242,115 compared to a loss of \$70,960 in the same period for the prior year. The improvement in income is primarily attributable to the gain on disposal of EHR.

Expenses for the Period were \$5,690,781 (March 31, 2012 - \$6,330,579). Costs of sales reflect manufacturing and sales costs associated with Maxx Energy Solutions Corp. (“**Maxx**”) and its subsidiaries. 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 Period were \$70,491 as compared to \$114,589 at March 31, 2102. Commercialization, product development and administrative expenses for the Period were \$1,234,294 as compared to \$1,418,157 for the same period in prior year. The decrease in 2013 is primarily due to less activity around product commercialization costs associated with new initiatives, cost reduction measures and disposition of EHR. A significant portion of \$146,338 amortization expenses, in the amount of \$55,915 (\$93,036 in 2012) is related to amortization of product development costs, patents and intangibles associated with the acquisitions of subsidiaries. The remaining amortization is attributable to tangible assets.

Comprehensive income includes the unrealized gain on financial assets available for sale of \$2,307,210 versus a loss of \$10,373 in 2012 and represents the net change in the carrying value of the investment in EESTech Inc., Kingsland Energy Corp. (“**KLE**”) and USA Synthetic Fuel Corporation to the quoted value as well as unrealized gain relating to Maxx Chenglin Energy Products and Services Ltd. These adjustments do not involve cash.

Comprehensive Net Income for the Period was \$5,549,325 after considering the effects of the gains realized on the sale of EHR as well as the unrealized gains on financial assets available for sale and intangibles as compared to a comprehensive net loss of \$60,587 in the same period for the prior year. As noted above these adjustments do not involve cash.

Total assets for the Period were \$30,940,185 compared to \$25,738,492 as at March 31, 2012. The primary reasons for the increase is the acquisition of KLE’s common shares and related debenture arising from the sale of EHR, increased investment in Maxx Chenglin Energy Products and Services Ltd. and the current net change in carrying value of investments to the quoted value and cash arising on the issuance of new shares.

Current liabilities were \$6,746,810 for Period as compared to \$6,948,550 as at March 31, 2012. The decrease is due to timing of trade payables from and reduced current portion of long term debt (to the end of March 31, 2013) and is offset by a preliminary estimate for corporate tax relating to Maxx operations.

Long term debt (including current portion) decreased from \$1,730,974 (Dec. 31, 2012) to \$829,299 (March 31, 2013). The decrease was the result of a payout of \$800,000 owing for the acquisition of additional shares of Maxx and normal principal payments on equipment loans financed by Maxx.

*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**