

# **Petroteq Energy, Inc. and First Bitcoin Capital Corp. Announce Blockchain-based Initiative to Optimize Oil & Gas Supply Chain Management**

STUDIO CITY, CA -- (Marketwired) -- 11/06/17 -- Petroteq Energy, Inc. (TSX VENTURE: PQE) (OTCQX: PQEFF) (FRANKFURT: MW4A) today announces a co-development agreement with First Bitcoin Capital Corp. (OTC: BITCF) in which the companies will develop a new supply chain management platform based on advanced blockchain technology to be used in the global oil and gas industry.

Per the agreement, Petroteq and First Bitcoin Capital will share industry experience and financial and technological resources with the intent to develop and operate an enterprise-grade, blockchain-based platform that will enable oil and gas companies globally to conduct transactions.

"Oil and gas companies could benefit from blockchain technology for a range of applications, from optimizing efficiency to transparency in business transactions to securely storing inventory data on the blockchain. In the last few years, the industry has struggled with price volatility and production levels, which has led to cost-cutting efforts, reduced outputs and layoffs. These challenges have prompted many companies to rethink how they operate and to identify new ways to optimize supply chain management and transaction processing. As such, blockchain is gaining traction and broader acceptance by oil and gas industry for its potential to fundamentally change the way certain transactions are conducted," says Greg Rubin, CEO of First Bitcoin Capital.

The oil and gas industry is involved in an extensive global supply-chain that includes domestic and international transportation, ordering and inventory management and control, materials handling, import/export facilitation and information technology. A recent Deloitte industry report, titled, "[Blockchain: Overview of the Potential Applications for the Oil and Gas Markets and the Related Taxation](#)," notes that transaction verification for product trades and transfers can be instantly verified across a network without reliance on a central authority, potentially reducing operating costs, more securely storing and managing data, and improving the speed of transaction processing on the blockchain.

"As a company focused on the development and implementation of proprietary technologies for the environmentally safe extraction of heavy oils, we understand the importance of developing new technologies, especially blockchain-based innovations, to help companies in our industry to get competitive advantage and cost efficiency," says Petroteq CEO Alex Blyumkin.

Technology executives in oil and gas companies can consider the following key areas in determining whether and how blockchain technology could be of benefit:

**Transparency and Compliance:** Blockchain, by design, should enable greater transparency and efficiency. Sharing digital blockchain information in joint-operating agreements could reduce, if not eliminate, the need for reconciliations between companies and for data hubs controlled by third parties. This could completely disrupt the current processes for balloting partners on new projects, performing joint interest billing, and reporting production revenue.

**Smart Contracts:** The sheer size and volume of contracts and transactions necessary to execute capital projects in oil and gas have historically caused significant reconciliation and tracking issues among contractors, subcontractors, and suppliers. They also pose significant challenges in managing logistics for supplies, tracking costs, and deploying inventory. Using blockchain, however, companies could generate cascading purchase orders, change orders, receipts, and other trade-related documentation and data on inventory by following specific codified rules. Drafting agreements that afford new tracking, bookkeeping, and automation methodologies could create a more efficient supply chain, improve capital project spend analytics, and simplify contractual obligations. Simply put, this potentially game-changing technology will provide knowledge of who gets paid how much, as well as insight into who along the chain is performing as explicitly mandated by agreements.

**Trading and Third-party Impacts:** Blockchain technologies are beginning to disrupt and open energy trading markets. Boundaries between asset classes could blur as cash, energy products, and other commodities become digital assets that trade interoperably. Blockchain-enabled applications can also address issues such as reduced brokers' fees; reducing fraud, error and otherwise compromised transactions; and limiting credit risk and transaction capital requirements. By trading physical commodities on a blockchain solution, commodity traders could benefit from increased speed of exchange, improved availability of data, and enhanced reliability and auditability as records are verified in near real-time. Ultimately, this could result in minimizing transaction backlogs and overall costs.

In the oil and gas industry -- with its global reach, complexity, and dizzying array of national regulations and restrictions -- simplifying and improving the paperwork and processes of global product movement is a high priority. With a compelling value proposition, many oil and gas companies may look to explore, invest in, and collaborate with partners on developing blockchain initiatives.

### ***About Petroteq Energy, Inc.***

The Company is engaged in the development and implementation of its proprietary environmentally friendly heavy oil processing and extraction technologies. Our proprietary process produces zero greenhouse gas, zero waste and requires no high temperatures. Petroteq is currently focused on developing its oil sands resources and expanding production capacity at its Asphalt Ridge heavy oil extraction facility located near Vernal, Utah. The company also owns a minority stake in an exploration and production play located in southwest Texas held by Accord GR Energy Inc. Under a joint venture agreement with Recruiter.com and Oilprice.com, we anticipate that the website offering employment opportunities in the Energy sector will be launched in the month of November 2017. Petroteq is also developing technologies to optimize petrochemical industry workflow processes and will bring a team of professionals to expedite the process.

For more information, visit [www.PetroteqEnergy.com](http://www.PetroteqEnergy.com)

## ***About First Bitcoin Capital Corp.***

First Bitcoin Capital Corp. is engaged in developing digital currencies, proprietary blockchain technologies, and the digital currency exchange -- [www.CoinQX.com](http://www.CoinQX.com) (in beta). We see this step as a tremendous opportunity to create further shareholder value by leveraging management's experience in developing and managing complex blockchain technologies and in developing new types of digital assets. Being the first publicly-traded cryptocurrency and blockchain-centered company, we want to provide our shareholders with diversified exposure to digital cryptocurrencies and blockchain technologies.

For more information visit [www.BitcoinCapitalCorp.com](http://www.BitcoinCapitalCorp.com)

## ***Forward-Looking Statements***

Certain statements contained in this press release contain forward-looking statements within the meaning of the U.S. and Canadian securities laws. Words such as "may", "would", "could", "should", "potential", "will", "seek", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions as they relate to the Company, including TSX Venture Exchange approval of the issuance of shares, are intended to identify forward-looking information. All statements other than statements of historical fact may be forward-looking information. Such statements reflect the Company's current views and intentions with respect to future events, based on information available to the Company, and are subject to certain risks, uncertainties and assumptions. Material factors or assumptions were applied in providing forward-looking information. While forward-looking statements are based on data, assumptions and analyses that the Company believes are reasonable under the circumstances, whether actual results, performance or developments will meet the Company's expectations and predictions depend on a number of risks and uncertainties that could cause the actual results, performance and financial condition of the Company to differ materially from its expectations.

Certain of the "risk factors" that could cause actual results to differ materially from the Company's forward-looking statements in this press release include, without limitation: the TSX Venture Exchange not approving the issuance of shares; changes in laws or regulations; the ability to implement business strategies or to pursue business opportunities, whether for economic or other reasons; status of the world oil markets, oil prices and price volatility; and oil pricing; state of capital markets and ability by the Company to raise capital; litigation; the commercial and economic viability of the Company's oil sands hydrocarbon extraction technology, the SWEPT technology, the S-BRPT technology, and other proprietary technologies developed or licensed by the Company or by Accord which are of experimental nature and have not been used at full capacity for an extended period of time; reliance on suppliers, contractors, consultants and key personnel; the ability of the Company and Accord to maintain their respective mineral lease holdings; potential failure of the Company's business plans or model; the nature of oil and gas production and oil sands mining, extraction and production; uncertainties in exploration and drilling for oil, gas and other hydrocarbon-bearing substances; unanticipated costs and expenses, availability of financing and other capital; potential damage to or destruction of property, loss of life, and environmental damage; risks associated with compliance with environmental protection laws and regulations; uninsurable or uninsured risks; potential conflicts of interest of officers and directors; and other general economic, market and business conditions and factors, including the risk factors discussed or referred to in the Company's annual Management's

Discussion and Analysis for the year ending August 31, 2016, filed with the securities regulatory authorities in certain provinces of Canada and available at [www.sedar.com](http://www.sedar.com).

Should any factor affect the Company in an unexpected manner, or should assumptions underlying the forward-looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, the Company does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this press release is made as of the date of this press release and the Company undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This news release does not constitute an offer for sale of securities, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the company and management, as well as financial statements.

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