Petroteq Energy Receives Notices on New Patents in the US and Canada Covering Oil Extraction Technology

LOS ANGELES, California, Jan. 10, 2018 (GLOBE NEWSWIRE) -- Petroteq Energy Inc. (“Petroteq” or the “Company”) (TSXV: PQE; OTCQX: PQEFF; Frankfurt: A2DYWC), is a company focused on the development of and implementation of proprietary technologies for the energy industry. Petroteq’s portfolio includes technology for the environmentally safe extraction of heavy oils from oil sands, oil shale deposits and shallow oil deposits. The Company has announced today that it has received a Notice of Allowance from the United States Patent and Trademark Office for U.S. Patent Application 13/627,518, “Oil From Oil Sands Extraction Process” and a Notice of Allowance from the Canadian Intellectual Property Office for Canadian Patent Application 2,754,355, “Oil Extraction Process.”

“We are very excited to receive the Notices of Allowance from the respective U.S. and Canadian patent offices,” said Alex Blyumkin, CEO and Chairman of Petroteq. The patents are part of Petroteq’s intellectual property portfolio that includes patent protection in Russia. The Company has applied for protection in all of the countries with significant Heavy Oil assets that it believes show promise for Petroteq technology. To learn more about Petroteq’s intellectual property protection team click here: www.nydegger.com

The Company would like to remind investors that while the patent is new – the technology has been used by Petroteq in its heavy oil extraction facility:

- Petroteq produced and sold 10,000 barrels of oil in 2015 using this technology at its first facility in Maeser, Utah.
- The Company is assembling a facility with the potential for 400% of the initial capacity at its lease site at Asphalt Ridge, Utah (1,000 bpd).

The Company is building this expanded oil extraction facility in the U.S., where all industrial processes are expected to be on the Blockchain powered supply chain management PetroBLOQ, being developed in partnership with First Bitcoin Capital Corp. (BITCF) (“First Bitcoin”). The production and refining of oil has risen to unprecedented levels in the past few decades to meet global refined products consumption demand. As a result, there is a great deal of public scrutiny into oil refining practices, its environmental impact, and the sustainability of the oil supply chain.

“This is our first initiative to address the industry’s growing concerns by developing sustainability benchmarks. We believe this is good news for oil producers, regulators, and consumers. Emerging technologies like PetroBloq blockchain platform should have a transformative impact on the global oil industry – not only by creating transparency in the supply chain but also creating value for its stakeholders, upstream, midstream, and downstream,” stated Alex Blyumkin, CEO.

The two patent allowances cover the Company’s novel process for extracting bitumen – the heaviest, densest form of petroleum – from oil sands in a highly energy efficient, environmentally friendly manner. Petroteq’s technology utilizes no water in the extraction process, produces no greenhouse gases and requires no high temperatures or pressures. The system extracts up to 99% of all bitumen, heavy oil and other lighter hydrocarbons, while recycling up to 99% of the benign extraction solvents.

“Our technology development has been inspired in large part by witnessing the catastrophic devastation in so many of the world’s major oil sands projects. Petroteq’s driving philosophy has been that the extraction industry must be able to achieve efficiency without leaving a wake of destruction to the surrounding environment,” stated Mr. Blyumkin.

“The patents pave the way for significant potential commercial licensing opportunities,” said Dr. Jerry Bailey, President of Petroteq. “Concurrently we are making progress across a spectrum of development activity that can place Petroteq in a position as an industry technology leader. We have made significant progress on the assembly of our own extraction facility in Utah, home to most of the oil sands reserves in the United States. Meanwhile, our PetroBLOQ joint venture with First Bitcoin is seeking to develop the first supply chain management platform based
on blockchain technology for the global transaction needs of the oil and gas industry."

“Our goal is to create the first extraction facility in the U.S. in which all industrial processes will be powered by our blockchain-based supply chain management system,” continued Dr. Bailey. “We have an expansive vision to leverage technology to make a transformative impact on our industry, and we believe in the power of collaboration. We recently became members of Hyperledger, the open source collaboration to advance cross-industry blockchain technologies, and the American Petroleum Institute (API). We look forward to working with our colleagues across industries and borders to help create lasting improvements in efficiency while being mindful of our environment.”

“As the worldwide demand for fossil fuels continues to increase, new, we believe unconventional, sources and methods for extracting fossil fuels must be developed as traditional sources are rapidly diminishing,” concluded Blyumkin. “Petroteq is committed to ensuring the long term sustainability of the oil and gas supply chain while minimizing the environmental impact of our collective efforts.”

About Petroteq Energy Inc.

Petroteq Energy 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. Petroteq is also developing technologies to optimize petrochemical industry workflow processes. For more information, visit www.Petroteq.energy.

About PetroBLOQ

PetroBLOQ is a collaboration formed by Petroteq Energy and First Bitcoin Capital Corp. to develop the first supply chain management platform based on advanced blockchain technology for the global transaction needs of the oil and gas industry. For more information, visit PetroBLOQ.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, the Company seeking patent protection in all of the countries with significant Heavy Oil assets that show promise for Petroteq technology, the Company successfully increasing production capacity of its extraction plan to 1,000 barrels per day, the Company building an expanded oil extraction facility in the U.S., where all industrial processes will be on the Blockchain powered supply chain management PetroBLOQ.com, emerging technologies like PetroBloq blockchain platform having a transformative impact on the global oil industry, the Company’s patents paving the way for significant potential commercial licensing opportunities, the Company making significant progress across a spectrum of development activity to position it as an industry technology leader, and that unconventional sources and methods for extracting fossil fuels must be developed as traditional sources are rapidly diminishing, 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, including: Petroteq’s ability to secure patent protection in all of the countries with significant Heavy Oil assets that show promise for Petroteq technology; Petroteq’s ability to increase production capacity of its extraction plan to 1,000 barrels per day, the Company building an expanded oil extraction facility where all industrial processes will be on the Blockchain powered supply chain management PetroBLOQ.com, the ability of emerging technologies like PetroBLOQ blockchain platform to have a transformative impact on the global oil industry; the ability of Petroteq’s patents to provide significant potential commercial licensing opportunities; Petroteq’s ability to position itself as an industry technology leader; the continued importance of developing unconventional sources and methods for extracting fossil fuels; as a developer and service provider of Blockchain enabled technology product; and the Company having the funds necessary to complete the foregoing; and the Company’s ability to find partners and successfully negotiate licensing agreements on commercially reasonable terms. 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 depends 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 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; 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). All forward-looking statements with regards to the Company’s development of a blockchain technology involve significant risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements, many of which are generally outside the control of the Company and are difficult to predict. Examples of such risks and uncertainties include, but are not limited to, whether the Company will be able to develop the blockchain technology to completion, whether blockchain technology will be adopted by the Company's merchants and consumers, whether the new business unit will be successful in its endeavors to identify and invest into relevant projects and whether investment into blockchain ecosystem will positively impact the Company. 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.

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Source: Petroteq Energy Inc.