



NEWS RELEASE

# Aduro Clean Technologies Provides Corporate Update and Engages Outside The Box Capital Inc. for Marketing and Investor Relations Services

2023-07-06

SARNIA, Ontario, July 06, 2023 (GLOBE NEWSWIRE) -- **Aduro Clean Technologies Inc.** ("Aduro" or the "Company") (CSE: ACT) (OTCQB: ACTHF) (FSE: 9D50), a Canadian technology company using the power of chemistry to transform lower value feedstocks, like waste plastics, heavy bitumen, and renewable oils, into resources for the 21<sup>st</sup> century, is pleased to provide an update on the Company's recent progress and achievements.

In the first half of the calendar year 2023, the Company has made significant progress in several key areas of its operational and strategic plans. Aduro's new facility in London, Ontario is nearing completion with the new office space now complete and fully equipped and the construction of the expanded, state-of-the-art laboratory facilities expected to be completed in Q3-2023. The Company has expanded its team by onboarding a total of eight process engineers and operators. The entire R&D and operations staff have been fully trained on the Hydrochemolytic™ Technology (HCT) and the new pilot-scale continuous flow reactor for Hydrochemolytic™ Plastic Upscaling ("R2 Plastic"). The R2 Plastic unit is fully operational and has successfully turned waste polymers into higher-value liquid hydrocarbons. In addition, there has been substantial progress on the pilot-scale continuous flow reactor for Hydrochemolytic™ Bitumen Upgrading ("R2 Bitumen").

The Company has continued to increase its presence in key industry events and is gaining strong public coverage of its HCT platform. Aduro's increased social presence and progress have led to increased interest from stakeholders and a growing list of collaboration opportunities, highlighting the Company's strong reputation within the industry and the keen interest in the HCT platform.

The Company also acknowledges the administrative hurdles, supply chain delays, and general challenges resulting from the team's significant growth in a short period of time. All of these the Company has successfully overcome, driven by the dedication and passion of the Aduro team. The Company is now focused on accelerating its customer engagement program and forging partnerships with key stakeholders. With our expanded operations, critical milestones achieved, and strong partnerships, we are confident in our ability to drive technology change in our industries and are dedicated to commercialising cutting-edge solutions that address urgent global challenges.

#### Highlights:

- Pilot scale continuous flow reactor for Hydrochemolytic™ Plastic Upscaling is operational and generating data.
- Expanding Research and Operations capabilities by successfully onboarding and training process engineering, process operators, and project management personnel to its team.
- Continue to advance discussions for customer engagement and collaboration opportunities.
- Expanding presence in Europe, establishing a subsidiary in the Netherlands.
- Newly expanded laboratory facility in London, Ontario is nearing completion.
- Closed oversubscribed financing of CAD \$3,926,512 with an additional CAD \$1,490,035 from the exercise of warrants.

#### Technology Advancement and Expanded Company Capabilities

We are pleased to announce that the pilot-scale continuous flow reactor for Hydrochemolytic™ Plastic Upscaling has been commissioned and is operational for processing chain growth polymers from June 2023. The system is now turning waste polymers into higher-value liquid hydrocarbons and driving our continuing commercialization effort.

The Company remains unwavering in its commitment to maintaining a safe working environment. Under the guidance of Gene Cammack, COO, comprehensive safety protocols and standard operating procedures (SOPs) were developed for the continuous flow reactor during April and May 2023. The aim was to ensure full compliance with regulations and the highest standard of safety best practices. Additionally, six new members were successfully onboarded to the operations team, including experienced process operators, who received extensive training on the HCT platform and the R2 Plastic unit.

The successful commissioning of the plastics unit, the addition of key personnel, and ensuring the establishment of rigorous procedures and protocols are a testament to the collective efforts of the Research & Development and Operations teams. Their unwavering dedication and hard work have been instrumental in reaching these milestones and upholding the Company's commitment to safety and operational excellence.

The Company is very pleased with the initial results obtained from running the R2 Plastic process and is now

focused on conducting its planned experimentation program. The primary objective of this program is to generate comprehensive data to support the design of the next scale-up to a tons-per-day unit for plastics upcycling. In addition to executing the planned experimentation program, R2 Plastic will be utilized to accelerate the Company's customer engagement program. The Company is entering the next phase of its journey, which includes running third-party feedstock in the continuous flow R2 Plastic process.

The Company has also made substantial progress in the pilot-scale continuous flow reactor for Hydrochemolytic™ Bitumen Upgrading (“HBU”). We have initiated the commissioning of the R2 Bitumen and anticipate achieving full operational status in Q3 2023. When operational, the R2 Bitumen unit will process feedstock from various interested partners, solidifying our position and furthering our discussions and relationships with potential customers and stakeholders.

Aduro has significantly expanded its research and operations capabilities by onboarding process engineering, operators, and project management personnel to its team. The growing team at Aduro augments the Company's capabilities, including its ability to run several continuous flow processing units simultaneously and accelerate its customer engagement program. Over the past few months, Aduro has received significant interest in both the HPU and HBU verticals. With the current team and expanded capabilities, the Company is focused on strengthening existing partnerships and solidifying new collaborations and business development.

#### European Expansion

In June 2023, Aduro formed its first international hub by establishing Aduro Clean Technologies Europe (“**ACTE**”), marking the first step towards international expansion. ACTE demonstrates the Company's dedication to its global growth strategy serving as Aduro's conduit for achieving strategic goals in the region. ACTE is physically hosted onsite at Brightlands Chemelot Campus (“**Brightlands**”), Netherlands, where the company has successful partnerships with Brightlands and Chemelot Innovation and Learning Labs (“**CHILL**”).

Establishing a global footprint aligns with Aduro's strategic business plan and allows the Company to expand its reach to engage with key stakeholders and attract the best talent wherever they may reside globally.

ACTE will focus on advancing the Hydrochemolytic™ process for plastics upcycling (“HPU”) within the European market with the primary goal of constructing a future demonstration unit at the Brightlands site, showcasing the Company's patented Hydrochemolytic™ platform technology for upcycling hard-to-recycle mixed plastics. The HPU process has garnered significant interest from major players in the plastic industry, highlighting the growing demand for sustainable solutions.

The Company is engaging in partnership discussions with local stakeholders on the project. The Company has made considerable progress in attracting and engaging with key potential hires to join the ACTE team and drive the

implementation of the Company's strategy in Europe and globally.

#### Closed Oversubscribed Financing

Aduro strengthened its balance sheet by successfully closing a non-brokered private placement, raising **\$3,926,512.08** in gross proceeds through the issuance of 4,222,056 units at \$0.93 per unit. Each unit consists of one common share and one-half of a common share purchase warrant. The warrants can be exercised at \$1.30 per share within two years, with an acceleration right if the shares reach \$1.60 for ten consecutive trading days. Additionally, the Company received **\$1,490,035** from the exercise of 1,862,544 previously issued warrants at \$0.80 per share during the period between November 9, 2022, and May 12, 2023.

#### New London Laboratory and Office Construction

Aduro's new facility in London Ontario is nearing completion with the new office space now complete and fully equipped, while the construction of the expanded, **state-of-the-art laboratory facilities** is expected to be completed in Q3 2023. The expanded Lab facility will enhance the Company's research capabilities and will strengthen Aduro's ability to accelerate technology development and support customer engagement. The 4,371 ft<sup>2</sup> facility, expected to be completed in Q3 2023, will double Aduro's research footprint, and feature modern laboratory space and new analytical equipment. The new facility will function as Aduro's Canadian head office and a centralized base of operations for the Company's research team for the execution of our Research and Development efforts and supporting our scale-up and commercialization plans.

#### Marketing and Investor Relations Agreement with Outside the Box Capital

The Company also announces that it has entered into a marketing and consulting agreement (the "Marketing Agreement") with an arm's length marketing firm, Outside The Box Capital Inc. ("**OTBC**") of Oakville Ontario, to provide marketing consulting and investor relations services, including marketing services through social media channels and online media distribution.

In connection with the Marketing Agreement, for an initial term of eight months starting on July 10, 2023, Aduro will pay OTBC a cash fee of \$100,000 plus applicable taxes. Aduro will also grant OTBC 75,000 stock options of the Company. The options will vest immediately upon grant, with an exercise price of the higher of \$1.00 and the market price on the date of grant, and have a one-year term. OTBC owns no shares of the Company as of the date hereof and has no direct relationship with the Company other than as set out in this press release.

The Company's engagement with OTBC is another step in its efforts to enhance communication with the current investor community and expand visibility to a greater audience. OTBC specializes in various social media platforms and will be able to facilitate greater awareness and widespread dissemination of the Company's news.

## About Aduro Clean Technologies

Aduro Clean Technologies is a developer of patented water-based technologies to chemically recycle waste plastics; convert heavy crude and bitumen into lighter, more valuable oil; and transform renewable oils into higher-value fuels or renewable chemicals. The Company's Hydrochemolytic™ technology activates unique properties of water in a chemistry platform that operates at relatively low temperatures and cost, a game-changing approach that converts low-value feedstocks into 21st-century resources.

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## Forward-Looking Statements

This news release contains forward-looking statements. All statements, other than statements of historical fact that address activities, events, or developments that the Company believes, expects, or anticipates will or may occur in the future, are forward-looking statements. The forward-looking statements reflect management's current expectations based on information currently available and are subject to a number of risks and uncertainties that may cause outcomes to differ materially from those discussed in the forward-looking statements. In this release, the forward looking statements include, but are not limited to, the Company's plan to increase social presence, increase interest from stakeholders and grow a list of collaboration opportunities; the plan to accelerate a customer engagement program and forge partnerships with key stakeholders; the plan to drive technology change

in the Company's industries and commercialise cutting-edge solutions that address urgent global challenges; the Company's plan for commercialization and safe operations; the generation of data to support the design of the next scale-up to a tons-per-day facility for the plastics upcycling; the plan for executing the planned experimentation program; that R2 Plastic will be utilized to accelerate the Company's customer engagement program; the plans for running third-party feedstock in the continuous flow R2 Plastic process; the intention of the Company to expand its reach to engage with key stakeholders and attract the best talent wherever they may reside globally; the advancement of the Hydrochemolytic™ process for plastics upcycling ("HPU") within the European market with the primary goal of constructing a future demonstration unit at the Brightlands site; the completion of the Company's facility in London Ontario in Q3 2023; the expectation that the expanded Lab facility will enhance the Company's research capabilities and will strengthen Aduro's ability to accelerate technology development and support customer engagement; the plan for the new Lab to double Aduro's research footprint, feature modern laboratory space and new analytical equipment., which will function as Aduro's Canadian head office and a centralized base of operations for the Company's research team for execution of our Research and Development efforts and supporting the Company's scale-up and commercialization plans; OTCB's proposed investor relations services and the anticipated effects of the proposed marketing services, including facilitating a greater awareness and widespread dissemination of the Company's news. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, undue reliance should not be put on such statements due to their inherent uncertainty. Important factors that could cause actual results to differ materially from the Company's expectations include, but are not limited to, that the Company's plan to increase social presence, and increase stakeholder may not manifest as anticipated; that the Company may fail to accelerate its customer engagement programs or forge new strategic partnerships; that the Company's technology may not develop as planned or may fail to be commercialized for various reasons; that the Company's technology may be made obsolete by new competing technologies or for other reasons beyond the Company's control; that the Company's plans to develop its programs may not actually manifest as anticipated; that new technologies may developed by other larger competitors and be preferred in the marketplace; that the Company may be unable to complete its Lab or expansion plans as proposed; that the marketing services may not be provided as anticipated, the delivery of such services not resulting in the anticipated results, adverse market conditions; that Company may be unable to raise additional funding or obtain sufficient revenue to continue its development and commercialization plans and other factors beyond the control of the parties. The Company expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable law.

The CSE has not reviewed, approved, or disapproved the content of this news release.

A photo accompanying this announcement is available

at <https://www.globenewswire.com/NewsRoom/AttachmentNg/4160fe99-4150-4e7e-942e-7bc5606bf65e>