



EXPANDER ENERGY INC.
INNOVATIVE ENERGY SOLUTIONS

NEWS RELEASE

PARTIAL UPGRADED ALBERTA BITUMEN CHARACTERIZATION STUDY UNDERWAY FOR EXPANDER ENERGY

Calgary, AB (August 12, 2014) – Expander Energy announces it has commenced a characterization study of Partially Upgraded Alberta Bitumen using FTCrude® Partial Upgrader Technology. The study was contracted to The Saskatchewan Research Council (SRC) with Laricina Energy Ltd. providing the Alberta Bitumen sample.

The purpose of this study is to create various de-asphalted oil samples that are representative of FTCrude® partially upgraded bitumen (PUB), a product that is transportable by pipeline, rail or marine without diluent. The PUB products, ranging from 14 to 24 API, will be ground-breaking in that there will be targeted reduction of sulphur, heavy metals, Naphthenic acid (TAN) and Conradson Carbon Residue (CCR), to supply current refinery crude. Full characterization of the various PUB products will enable Expander to demonstrate the true market value expected to exceed WCS pricing thereby creating increased value for Alberta Bitumen.

“Due to their extensive knowledge and experience in heavy oil and bitumen and their specialized equipment, the Saskatchewan Research Council is in the ideal position to carry out this work,” says James Ross, CEO of Expander Energy. “It is essential that a solution is found to avoid undesirable asphaltenes and petcoke problems and eliminate the stigma that Alberta Oil is ‘Dirty Oil’. The Expander PUB Characterization Study performed by SRC, will help us produce a high quality synthetic crude oil ideal for refineries.”

Advisory services and technological expertise, as well as the research funding from the National Research Council of Canada’s Industrial Research Assistance Program (NRC-IRAP) have been instrumental in accelerating the timing of this project.

About Expander Energy

Expander Energy is a leading developer and licensor of processes to convert carbon sources into valuable synthetic fuels. Our engineered fuels, SynDiesel® and SynJet® are ultra-clean burning and complement existing transportation fuel infrastructure and current engine technologies. Our patented and patent pending technologies increase refinery yield, reduce GHG emissions, and are designed to convert carbon rich materials such as natural gas, biomass, bitumen residuals, petcoke and municipal solid waste. We strive to deliver an alternative, drop in fuel and unique synthetic crude through patented technology to provide economic growth for Alberta and Canada and significantly reduce its environmental footprint. Expander Energy Inc. is a privately held energy company located in Calgary, Alberta, Canada.

For More Information Contact:

EXPANDER ENERGY INC.

Suite 200, 1414-8th Street S.W.

Calgary, Alberta T2R 1J6

(403) 452-1641

j.ross@expanderenergy.com

www.expanderenergy.com