



**The Energy Investment Summit**

**Presented by Colorado School of Mines and EnerCom**

**February 10-11, 2021**



# The Company | Today's Presenters



**JASON TOCHENIUK**  
PRESIDENT, CEO & DIRECTOR  
[J.TOCHENIUK@AUREUSENERGY.COM](mailto:J.TOCHENIUK@AUREUSENERGY.COM)

- Co-founded the company in 2011
- Executed a management buyout in 2014 and closed Aureus' first private placement in 2018
- Expanded operations into the US
- Recently completed the acquisition of a technology-based fluid treatment company, Amperage Energy
- 20+ years of experience in the energy sector



**RON HOZJAN**  
VP FINANCE & CHIEF FINANCIAL OFFICER  
[R.HOZJAN@AUREUSENERGY.COM](mailto:R.HOZJAN@AUREUSENERGY.COM)

- Joined the Aureus team in January 2020
- CPA who has successfully grown several energy companies from start-up to mid-cap size
- Strengths in capital markets, finance and accounting, mergers and acquisitions, internal controls and all other facets of public company reporting
- 30+ years of experience in the energy sector



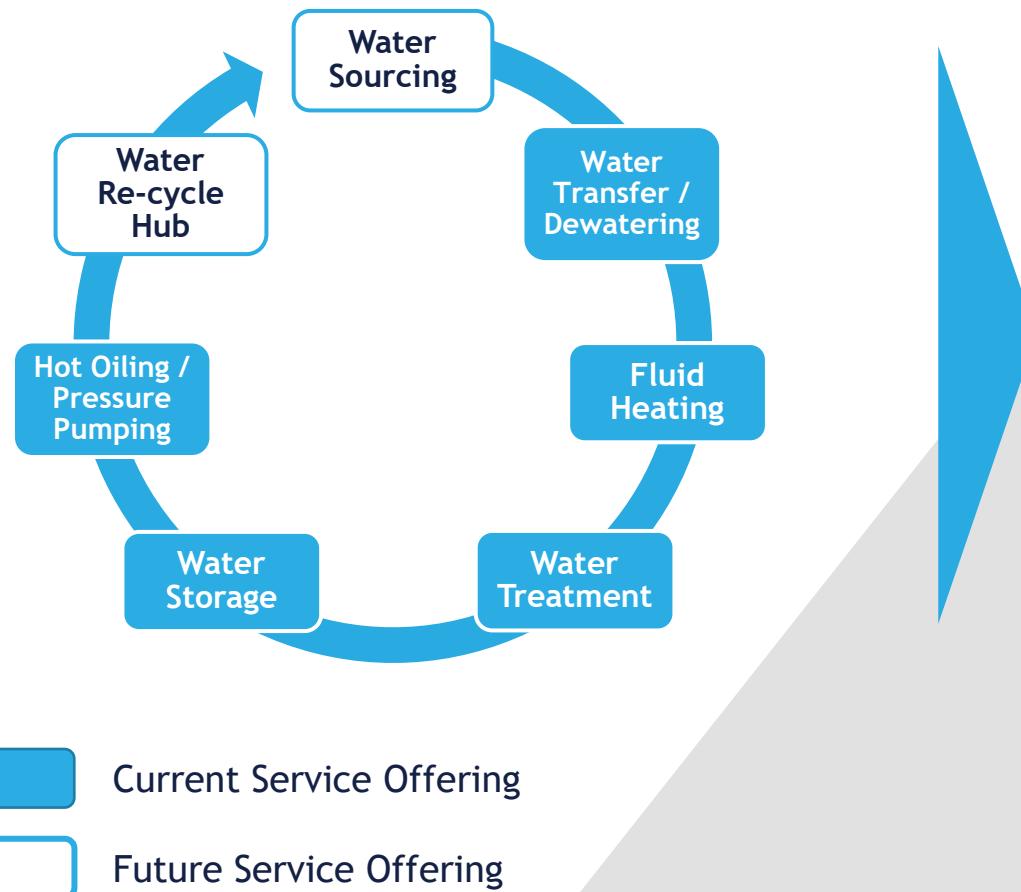
Our Vision is to become a fully integrated North American water management company. To continue to grow our business with talented professionals, using disruptive technology and providing superior service, with the goal of maintaining a low-cost profile for our clients while creating value for our shareholders.

**At Aureus, we are committed to helping our clients achieve their respective ESG goals by evolving our technologies to ensure our clients have the safest, most cost-effective and environmentally-friendly solutions to address the challenges they face.**



# Aureus Services Overview

## Water Cycle in Oil and Gas Industry



## Aureus Services Provided

- Water Transfer - oil & gas
- Dewatering - municipal and industrial
- **Produced Water Treatment for Re-cycling**
- Fluid Heating
- Fluid Storage Rentals added in Q4/20
- Permitting
- Customer Engineered Designs
- Real Time Fluid Monitoring and Control via SCADA

# What is our Proprietary Zero Atmosphere Technology?



## A Single Step Process for Treating Produced Water

- High pressure, enclosed treating vessel
  - Controlled retention and reaction chamber
  - Internal regenerative filtration process
- Proprietary stabilized  $\text{ClO}_2$  chemistry
  - Safe alternative to  $\text{ClO}_2$
- Ionization and particle capture sludge extraction
- Zero emission vapor control
  - VOC, Benzene and  $\text{H}_2\text{S}$  removal (Vapors and Gas)
- Continuous monitoring of untreated & treated fluid
- Optional onsite sludge dewatering



60,000 bpd Self Contained Operation pulling directly off Disposal Site Pipeline, Pumping back into Pipeline for Frac Reuse Eliminating need for Raw Fluid Storage

# Water Conservation- U.S.

- In 2020, Aureus recycled over 500 million gallons (12.2 million barrels) of produced water in Texas and New Mexico using high spec treatment
- That's enough water to frack approx. 24-30 wells in our first year in a 3,500+ well market
- Out of that water, we removed and safely disposed of over 8,000 tons of sludge
- 8 different projects/sites for 4 different customers
- We offer the **only fully-contained treating solution in the U.S.** whereby we can totally eliminate emissions - a definite competitive advantage over our peers' open pit alternative



# Water Conservation- Canada

- In 2020 Aureus recycled over 1 million barrels of water in Alberta and B.C.
- That's ~4L saved for each Canadian
- We removed sludge, toxic gas (H<sub>2</sub>S), and odor causing gas from this water - reducing emissions
- We completed projects for 10 Canadian customers
- Some customers have indicated they are getting better IP90 rates from using Aureus treated recycled water - we are currently working with customer to quantify this



**AUREUS**

# Aureus's Value Proposition - Permian & Delaware



- Significant water volume demand from well completions in the Permian: approx. 3,500 wells estimated to be completed in 2020 and an estimated 4,500 in 2021
  - Costs to source fresh water for fracking operations varies between US\$0.40-0.80/bbl
- Wells in the Permian produces large quantities of volumes immediately after the completion and water production remains long into the wells life
  - Costs to dispose produced water varies between US\$0.40-0.60/bbl
- An increased focus on environmentally responsible development is expected with the change in federal leadership
- **Aureus is well positioned with a proprietary environmentally superior treating process that provides a significant cost advantage to sourcing fresh water and/or disposing produced water**



# 2021 Goals

1

## Continue Market Penetration in the U.S.

- Continue focusing on Permian/Delaware regions
  - expect to add 2-3 new customers in Q1/21
- Pursuing an opportunity to build the first 100% produced water recycle hub in the U.S.
- Continue to build U.S. team and expand treating capacity

2

## Optimize Operations

- Add NEBC location in Canada to increase exposure to natural gas drilling activity
- Advance ESG commitment to electrify the fleet
- Continue to focus on cost reduction
- Advance our research on alternative fuel consumption innovation and technologies; have been committed to since inception

3

## Increase U.S. Operating Margins

- Implement second generation treating spread to reduce mobilization and labor costs
- Implement second generation blending skids to reduce costs
- Implement onsite accommodations at leased sites to reduce labor costs