

PRESS RELEASE

May 29, 2019

BQE Water Signs Contract for First SART Plant in China

VANCOUVER, BC – BQE Water Inc. (TSX-V: BQE), a leader in the management of mine wastewater and metallurgical bleed streams, was awarded a contract to proceed with the implementation of a SART plant at a gold metallurgical facility owned and operated by Shandong Zhongkuang Group Co., Ltd. (“Zhongkuang”) located in Eastern China. The contract was awarded following the positive outcome of the engineering feasibility study and on-site testing completed by BQE Water earlier in the year.

The contract consists of two project phases. In the first phase, BQE Water will provide all aspects of the plant design, engineering support during procurement and construction, and plant commissioning. This initial phase is to be completed within the next 12 months. In the second phase, BQE Water will provide ongoing operations support services for a period of five years and will be paid a quarterly service fee based on plant performance.

“We are very excited about this project which enables BQE Water to demonstrate our leadership in SART technology in China and to execute the project using a business model that generates recurring revenues from technological know-how and services without the need for capital investment,” said David Kratochvil, the President & CEO of BQE Water. “I would also like to acknowledge the positive role that funding and advisory services from the National Research Council of Canada Industrial Research Assistance Program (NRC IRAP) has played in allowing us to accelerate research in clean Canadian technologies such as SART in China.”

Adds Songlin Ye, Vice President for Asia at BQE Water, “The success of our operations at the Guoda gold smelter some 20 km away from the Zhongkuang site and our partnership with MWT Water Treatment Project Limited Company, were both instrumental in establishing the commercial framework for this project. SART implementation is the first step in the bigger picture of modernizing cyanide management and waste treatment at the Zhongkuang metallurgical processing facility. The success of SART may open new opportunities to help us develop a long-term relationship with Zhongkuang.”

About the Significance of Cyanide Management for the Gold Mining Industry

Regulations around the world are advancing and target not only residual cyanide contained in wastewater and tailings produced by mining and metallurgical operations but also place strict limits for cyanidation and cyanide destruction by-products such as ammonia, cyanate, thiocyanate and nitrite. A key aspect of cyanide management is cyanide recovery and recycle. The more cyanide that can be reused, the less fresh new cyanide that needs to be consumed and the less cyanide that must be destroyed by using additional chemicals which produce by-products requiring additional management. The goal is to ensure all discharges are non-toxic and do not cause impacts to the receiving environment. As such, proper cyanide management is key to the permitting of new projects and securing a social license for gold producers.

About the Significance of Shandong Province for China’s Gold Production

Gold output for Shandong Province reached 120 tonnes (3.8 M troy ounces) in 2018, accounting for 30% of China’s total gold production. The province is home to the country’s top gold producers who are

expanding their influence globally. In the region alone where BQE Water's new Guoda water treatment plant recently began operation, there are over a dozen metallurgical plants that focus on gold extraction and refining.

About BQE Water's Expertise in Cyanide Management

BQE Water is a global leader in the SART process which enables cyanide consumed by base metals to be recovered and recycled, lowering the cost of gold extraction and reducing the environmental footprint of gold mining projects. BQE Water also provides solutions to manage the by-products of cyanidation and cyanide destruction such as ammonia, nitrite and thiocyanate removal.

About BQE Water

BQE Water is a service provider specializing in water treatment and management for metals mining, smelting and refining. We are helping to transform the way the industry thinks about water in the context of natural resource projects by offering services and expertise which enables more sustainable water management practices and improved overall project performance at reduced risks. BQE Water invests in innovation and has developed unique intellectual property through the commercialization of several new technologies at mine sites around the world for organizations including Glencore, Jiangxi Copper, Freeport-McMoRan and the US EPA. BQE Water is headquartered in Vancouver, Canada and trades on the TSX Venture Exchange under the symbol BQE. Visit www.bqewater.com for more information.

The Toronto Venture Exchange has not reviewed and does not accept responsibility for the adequacy or the accuracy of this release.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain information contained herein may not be based on historical fact and therefore constitutes "forward-looking information" under applicable Canadian securities legislation. This includes without limitation statements containing the words "plan", "expect", "project", "estimate", "intend", "believe", "anticipate", "may", "will" and other similar words or expressions. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks, uncertainties and other factors that may cause actual events or results to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, the Company's dependence on key personnel and contracts, uncertainty with respect to the profitability of the Company's technologies, competition, technology risk, the Company's ability to protect its intellectual property and proprietary information, fluctuations in commodity prices, currency risk, environmental regulation and the Company's ability to manage growth and other factors described in the Company's filings with the Canadian securities regulators at www.sedar.com (including without limitation the factors described in the section entitled "Risks and Uncertainties" in the Company's MD&A for the year ended December 31, 2018). Given these risks and uncertainties, the reader is cautioned not to place undue reliance on forward-looking statements. All forward-looking information contained herein is based on management's current expectations and the Company undertakes no obligation to revise or update such forward-looking information to reflect subsequent events or circumstances, except as required by law.

For further information please contact:

BQE Water Inc.
Suite 250 – 900 Howe Street
Vancouver BC Canada V6Z 2M4

David Kratochvil, President & CEO
dkratochvil@bqewater.com

BQE Water

Heman Wong, CFO
hwong@bqewater.com

604-685-1243 or 1-800-537-3073