



Phoenix Metals Corporation

September 27, 2017

News Release

NEX Symbol: PHC.H

CHANGE OF BUSINESS AND FINANCING UPDATE

Vancouver, B.C.: Phoenix Metals Corporation ("Phoenix" or the "Company") (TSXV Symbol: PHC.H) is pleased to announce the following updates regarding the change of business transaction ("COB") and financings, previously announced by the Company on August 29, 2017.

Change of Business Transaction

The Company announces that it is advancing its COB through a series of transactions in the bioremediation sector. The early stage and fragmented state of the bioremediation industry presents a unique growth opportunity for the Company and its experienced personnel. The Company is continuing to build its solution, services and team and advance its business development discussions. In conjunction with the COB the Company will be changing its name to EnviroTek Remediation Inc.

The Company has identified an industry-wide opportunity to bring open standards and develop advanced processes for more effective bioremediation. A comprehensive review of inputs, processes and equipment in the sector reflects the common strategy of incumbent players who hide their secrets in "black-boxes" that serve to reinforce the industry belief that bioremediation does not work. The Company's focus will be on the development of multiple products/solutions and processes for remediation that become standards that lead to credibility and facilitate market leadership. Through both internal research and the ongoing provision of bioremediation services the Company will be securing intellectual property and know-how. Historically, most of the revenues in the remediation sector have been generated through monitoring contamination versus the actual application of remediation solutions. The Company sees the reverse of this trend as an exceptional growth opportunity. The long-term plan is to develop a complete solution offering that can be marketed to environmental engineers and service providers in the remediation industry.

The Company has secured the services of a talented team of experienced industry professionals to develop and execute its plan.

Management Team & Business Development (subject to the Closing of the COB Transaction)

The Company has sourced industry leading microbes, surfactants and equipment for the provision of hydrocarbon bioremediation services to treat soil contamination on-site, therefore reducing costs considerably versus the standard industry practice of hauling contaminated soils to a landfill (typically on-site remediation is less expensive versus hauling to a land-fill).

The Company will secure industrial space in Calgary, Alberta as a base for both the provision of services and research and development activities. The facility will be utilized for the treatment and monitoring of contaminated soils for gathering critical data and

intellectual property that will be owned by the Company. The facility will allow the Company to test equipment and processes, refine and improve its systems and provide a venue for client demonstrations and trials.

Harry Duncan – President: Mr. Duncan has 34 years of experience in the Canadian and International Oil and Gas industry. Mr. Duncan has extensive experience in production, operations, project management and construction managing large budgets exceeding \$100,000,000. Mr. Duncan is currently enrolled in the MBA program at Royal Roads University to compliment the management and project management training he received from the Southern Alberta Institute of Alberta. He has previously held management and senior management positions with both energy producing and oilfield service companies.

Ken Watt – Operations: Mr. Watt brings 17 years of progressive remediation and reclamation experience to the Company including 10 years involved in research and development (bench scale testing and field implementation for commercialization of enhanced soil bio-remediation processes which included Phase 1 and Phase 2 Environmental Site Assessments, environmental due diligence and gap analysis, site reclamation and soil remediation projects including excavations, ex-situ chemical oxidation, and bio-remediation throughout Western Canada). Mr. Watt has extensive experience in soil oxidant demand testing and interpretation, soil salinities, hydrocarbon and metals testing and analysis, oxidant selection, catalyst selection, selection and use of oxidant stabilizers and or acids and microbes to de-grade hydrocarbon fractions including BTEX and fractions C1 – C36. Ken also has extensive experience designing, building and evaluating equipment required for soil remediation. He has also successfully remediated +50,000 tonnes of hydrocarbon contaminated soil to criteria. Mr. Watt completed his degree in Geography at University of Calgary and is currently enrolled for the September 2018 intake MSc in Environment and Management at Royal Roads University.

Greg Olesen – Operations: Mr. Olesen will be joining the board of the resulting issuer following the COB. Mr. Olesen has over 36 years of experience in Oil and Gas Production and Chemical Manufacturing including Management roles within Engineering, Construction and Maintenance both on the national and international stage. Mr. Olesen brings extensive operational experience in Project Management and Public Relations along with overall business development skills.

Gary Beuk – Operations: Mr. Gary Beuk was previously the Senior Emergency Preparedness & Response Advisor for one of Canada’s largest oil companies and its US parent company. Mr. Beuk has been a senior emergency response professional within the oil and gas industry for over 35 years with experience in the upstream, downstream and distribution aspects of the petroleum industry. Mr. Beuk has responded to and has been an advisor on many major oil spill response incidents as well as conducted extensive emergency response and preparedness assessments, training and exercises globally. Mr. Beuk is certified as a Canadian Registered Safety Professional (CRSP).

Bill Gillis – Corporate Development: Mr. Gillis received his undergraduate degree in Economics from Princeton University and his graduate degree in finance from New York University. Mr. Gillis has spent the majority of his 25+ year career in the Investment Management Industry. Over the past few years, Mr. Gillis transitioned his focus to working with start-up companies. Most recently, Mr. Gillis worked with a Seattle based start-up where he managed the financing and led the business development initiatives for the Company.

Brad Holmes – Business Development: Mr. Holmes founded EnergyIR in 2008. EnergyIR is a business consulting firm serving companies in the oil and gas industry from its base in Houston, Texas. EnergyIR advisory services include investment/corporate communications and management consulting focused on business development, finance and M&A. Mr.

Holmes has years of experience working with US and Canadian stock exchange (NYSE, NASDAQ, TSX) listed companies. Mr. Holmes has been an officer and director of multiple publicly-listed companies. Mr. Holmes attended Colorado State University and is a member of the Houston Producer's Forum, the Texas Independent Producers & Royalty Owners Association, the Independent Petroleum Association of America and the Houston Energy Finance Group.

Directors and COB Transaction Closing Matters

Brian Leeners, currently the CEO of the Company will continue as a director and CEO of the resulting issuer after the COB. Mr. Leeners received both his B.Comm. and LL.B. degrees from the University of British Columbia in 1992 and since that time has been focused on the management of private and public venture companies. In 2002, he founded Nexvu Capital Corp. which is a venture capital firm focused on developing companies in the Industrial and Technology Sectors. Brian has been directly responsible for over \$50 million in financings.

Greg Pearson will be joining the board of directors of the resulting issuer after the COB. Greg Pearson has been a founding partner in Nexvu Capital Corp. since 2002 and has over 30 years of experience in the private and public-sector capital markets during which time he has been directly responsible for over \$100 million in financings.

Lew Dillman will continue as an independent director of the resulting issuer and is a seasoned management executive with more than 20 years of experience and contacts in the resource, technology and finance communities. Mr. Dillman holds a Bachelors of Arts degree in International Affairs from Lewis and Clark College. Mr. Dillman is a graduate of Columbia University School of International Affairs in New York State with a Masters degree in International Affairs with a specialization in International Banking and Finance.

Tyler Thorburn will also be joining the board of directors as an independent director of the resulting issuer after the COB. Mr. Thorburn has 10 years of land and environmental management experience with upstream and midstream energy companies including Canadian Natural Resources Limited, Centrica Energy, Trans-Northern Pipelines, and Enbridge. Mr. Thorburn has extensive experience coordinating pre-site soil assessments, phase I & II environmental site assessments, vegetation monitoring, weed control, wetland disturbance permitting, drilling waste disposal, decommissioning programs, reclamation & remediation projects, regulatory compliance, risk management, and land acquisitions across Canada. Mr. Thorburn has successfully prepared and submitted applications to the Alberta Energy Regulator, Alberta Environment, National Energy Board, and the Department of Fisheries and Oceans Canada. Mr. Thorburn holds a Diploma from the School of Land and Resource Management at Olds College and an MBA from Warwick Business School – University of Warwick.

In accordance with Exchange policy on COB's the Company advises that there is no significant financial information available regarding the proposed transactions, there are no non-arm's length parties involved in the proposed transactions, there are no significant conditions required to complete the COB other than completing the financing referred to below and the Company does not anticipate that a Sponsor will be required.

Private Placement Financings

In conjunction with this transaction, the Company will increase its non-brokered private placement financing to 13,235,294 units at a price of seventeen cents per unit (\$0.17) to raise proceeds of up to \$2,250,000 (the "Bridge Financing"). Each unit will consist of one common share and one common share purchase warrant (the "Warrants") with each Warrant entitling the holder to acquire one additional common share at a price of fifty cents (\$0.50) per share for twenty-four (24) months from closing. The Warrants will be subject to

the right of the Company to accelerate the exercise of the Warrants if the shares of the Company trade at or above \$0.75 for a period of 10 consecutive trading days. The proceeds from the \$0.17 private placement will be utilized for working capital purposes up to the closing of the COB transaction.

The Company will also be reducing its non-brokered private placement financing to 12,500,000 units at a price of twenty cents per unit (\$0.20) to raise proceeds of up to \$2,500,000. Each unit will consist of one common share and one common share purchase warrant on the same terms as the above Bridge Financing. The proceeds from the \$0.20 private placement will be placed in trust subject to the Closing of the COB transaction.

**On behalf of the Board of Directors of
Phoenix Metals Corporation**

"Brian Leeners"

Brian Leeners, CEO & Director

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Completion of the transaction is subject to a number of conditions, including Exchange acceptance and disinterested Shareholder approval. The transaction cannot close until the required Shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Management Information Circular to be prepared in connection with the transaction, any information released or received with respect to the COB may not be accurate or complete and should not be relied upon. Trading in the securities of Phoenix Metals Corporation should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved or disapproved the contents of this press release.