



ROBIX



NEWS RELEASE

ROBIX AND FORMATION FLUID ENTER INTO AMALGAMATION AGREEMENT

August 29, 2016 – Lethbridge, AB: Robix Environmental Technologies, Inc. (“Robix” or the “Company”) (RZX:CSE, R0X:Frankfurt) and Formation Fluid Management Inc. (“Formation Fluid”) (FFM:TSXV) announced today that they have entered into an amalgamation agreement dated August 26, 2016 (the “Amalgamation Agreement”) together with a newly incorporated subsidiary of Robix (“SubCo”), pursuant to which Robix has agreed to acquire all of the outstanding shares of Formation Fluid by way of a three-cornered amalgamation (the “Transaction”). Under the terms of the Amalgamation Agreement, Formation Fluid and Subco will amalgamate under the *Business Corporations Act* (British Columbia) and continue as one corporation, which will be a wholly-owned subsidiary of Robix and will carry on the business of Formation Fluid following the completion of the Transaction.

Nathan Hansen, President and CEO of Robix commented “This is a highly synergistic and accretive business combination for Robix. By adding Formation Fluids three stage water purification systems to our C and P Series product lines we are able to offer a complete oil recovery system to clients. The Formation Fluid transaction also adds to our sales capacity, increases our ability to reach new customers and expands our in-house technical expertise.”

“This transaction will provide Formation Fluids with expanded access to new customers globally,” said Ken Rose, President and CEO of Formation Fluid. “Robix has commercial reach in multiple countries and we are very excited to begin a new chapter in the Company’s history and to working closely with the Robix team.”

Terms of the Agreement

Under the terms of the Amalgamation Agreement, Formation Fluid shareholders will receive approximately 0.425 of a common share of Robix (“Robix Share”) for every one (1) Formation Fluid common share (“Formation Fluid Share”). In connection with the Transaction, Robix will issue approximately 25,185,410 Robix Shares to the Formation Fluid shareholders. In addition, the holders of the currently outstanding 3,616,684 common share purchase warrants of Formation Fluid (“Formation Fluid Warrants”) will be entitled to purchase an aggregate of up to 1,537,091 Robix Shares at an exercise price of approximately \$0.28 per Robix Share and the holders of the currently outstanding 5,900,000 stock options of Formation Fluid (“Formation Fluid Options”) will be entitled to purchase an aggregate of up to 2,507,500 Robix Shares at exercise prices ranging from approximately \$0.18 to \$1.06 per Robix Share. Upon completion of the Transaction, Robix expects to have approximately 48,785,822 Robix Shares issued and outstanding, of which the former holders of Formation Fluid will hold approximately 47.5% (not including any Robix Shares issuable upon exercise of the above Formation Fluid Warrants or Formation Fluid Options).

The Amalgamation Agreement provides that completion of the Transaction is subject to certain conditions, including receipt of all regulatory approvals, including approval of the TSX Venture Exchange, and the approval of at least two-thirds of the votes cast by holders of Formation Fluid Shares at a special meeting of Formation Fluid shareholders to be called for the purpose of approving the Transaction. It is anticipated that an information circular will be mailed to Formation Fluid shareholders in mid September 2016 and the Formation Fluid shareholder meeting will be held on October 7, 2016. Provided that Formation Fluid shareholder approval is obtained and all other conditions to close are satisfied, the Transaction is expected to close on or before October 12, 2016.

The Board of Directors of Robix and Formation Fluid have both unanimously approved the Transaction and the Board of Directors of Formation Fluid has concluded that the Transaction is in the best interests of its shareholders and has resolved to recommend that Formation Fluid shareholders vote their shares in favour of the Transaction. All of the directors and officers of Formation Fluid have agreed to vote their Formation Fluid Shares in favour of the Transaction. Formation Fluid has agreed that it will not solicit or initiate discussions regarding any other business combination or sale of material assets. Formation Fluid has also granted Robix the right to match any superior proposals. The Amalgamation Agreement provides for a reciprocal non-completion fee payable to either Robix or Formation Fluid, as the case may be, in certain circumstances if the Transaction is not completed.

Proposed Directors

The Amalgamation Agreement contemplates that following the Closing two nominees of Formation Fluid, Mr. Ken Rose and Mr. Mark Bentsen, will be added to the Board of Directors of Robix.

About Formation Fluid:

Formation Fluid Management Inc. has developed a three stage waste water treatment plant (Hydro-Cycle) that uses a proprietary process to clean waste water. Each plant is mobile and can process up to 1000 m³ of water per day. This system treats water to meet or exceed CCME Guidelines (Canadian Environmental Quality Guidelines), resulting in reusable water that can be used for: Boilers, Frac Water, Water Floods, and Drilling Operations. Formation Fluids has identified commercial applications for the Hydro-Cycle system within the oil and gas industry. The waste water treatment system has a primary use to reduce producers' costs of dealing with produced water. The system also satisfies the need to reuse and recycle an increasing valuable resource.

About Robix:

The Corporation is an "industrial products/technology" company, offering to investors a unique opportunity to participate in a leading company in the business of ownership of patents, and their development from commercialization to worldwide expansion through various business arrangements. Robix owns a Clean Ocean Vessel ("COV") patent, which is an oil spill recovery vessel design with the capability to recover oil in rough and debris laden sea conditions. Robix has recognized a worldwide market opportunity for effective containment, recovery and disposal equipment, particularly in the oil spill protection industry, and it proposes to develop a business model as a service provider, and/or

equipment provider under licensing agreements with other industry participants, wherein Robix will use its COV patented design solution.

For more information please contact:

Robix Environmental Technologies, Inc.

Nathan Hansen
President & CEO
Tel: 250-683-8957
Email: nathan@robixfuels.com

Website: www.robixfuels.com

Robin Ray
Chief Financial Officer
Tel: 403-327-3094
Email: robin@robixfuels.com

Formation Fluid Management Inc.

Ken Rose, Chief Executive Officer
Investor Inquiries: 1 (403) 550-4421
E-mail inquiries: info@fftinc.ca

No stock exchange or any securities regulatory body has reviewed the contents of this news release. Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release

Forward-Looking Information: This news release contains “forward-looking information” within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein are forward-looking information. Generally, forward-looking information may be identified by the use of forward-looking terminology such as “plans”, “ expects” or “does not expect”, “proposed”, “is expected”, “budgets”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved. In particular, this news release contains forward-looking information in relation to: the proposed Transaction; the timing for completion of the proposed Transaction and the satisfaction of the conditions for completion of the proposed Transaction. This forward-looking information reflects Robix’s and Formation Fluid's current beliefs and is based on information currently available to Robix and Formation Fluid and on assumptions Robix and Formation Fluid believe are reasonable. These assumptions include, but are not limited to: the satisfactory fulfilment of all of the conditions precedent to the proposed Transaction; the receipt of all required approvals including regulatory, TSX Venture Exchange, and Formation Fluid shareholder approvals and market acceptance of the proposed Transaction. Forward looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Robix or Formation Fluid to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; delay or failure to receive shareholder or regulatory approvals; the actual results of future operations; competition; changes in legislation, including environmental legislation, affecting Robix or Formation Fluid; and lack of qualified, skilled labour or loss of key individuals. A description of additional assumptions used to develop such forward-looking information and a description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in Robix’s disclosure documents and Formation Fluid's disclosure documents on the SEDAR website at www.sedar.com. Although Robix and Formation Fluid have attempted to identify important factors that could cause actual

results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Forward-looking information contained in this news release is expressly qualified by this cautionary statement. The forward-looking information contained in this news release represents the expectations of Robix and Formation Fluid as of the date of this news release and, accordingly, is subject to change after such date. However, Robix and Formation Fluid expressly disclaim any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law.