



## NEWS RELEASE

### **ROBIX ANNOUNCES LETTER OF INTENT FOR PROPOSED BUSINESS COMBINATION APPOINTMENT OF NEW CHIEF OPERATING OFFICER AND GRANT OF OPTIONS**

May 26, 2016 – Lethbridge, AB: Robix Environmental Technologies, Inc. (“Robix” or the “Corporation”) (RZX:CSE) (Frankfurt:ROX) is pleased to announce that it has entered into a non-binding Letter of Intent (“LOI”) with respect to a proposed business combination with Formation Fluid Management Inc. (doing business as Formation Fluid Technology Inc.) (“Formation Fluid”) (FFM:TSX-V), an Alberta-based corporation listed on the TSX Venture Exchange focused on the development and operation of industrial wastewater treatment facilities and commercial mobile systems designed and engineered for energy clients.

The purpose of the LOI is to reflect the desire of both parties to effect a business combination pursuant to which Robix will acquire all of the issued and outstanding common shares of Formation Fluid through a share exchange, amalgamation, plan of arrangement or such other comparable form of transaction as determined by Robix and Formation Fluid following a review of all relevant tax, corporate and securities law considerations and a due diligence review (the “Transaction”). Pursuant to the Transaction and subject to adjustment prior to the execution of a definitive agreement, each outstanding Robix common share will be exchanged into one common share of the resulting issuer and every two outstanding Formation Fluid common shares will be exchanged into one common share of the resulting issuer. Upon completion of the Transaction, it is anticipated that the resulting issuer will be listed on the Canadian Securities Exchange.

“We identified Formation Fluid as an excellent accretive partner for Robix,” commented Nathan Hansen, President and CEO Robix. “Their wastewater treatments technologies are cost-effective and innovative ways of delivering a new source of water, which meets or exceeds regulatory and operational requirements for reuse, surface discharge, or aquatic release. It is a perfect fit with the Robix P Series oil production platform, as energy customers are looking for a turn-key solution for their oil water separation needs and to meet regulatory specifications for engineered water.”

The proposed Transaction is subject to a number of conditions including, but not limited to: (1) approval of the Transaction by the board of directors of Robix and Formation Fluid and any requisite shareholder approval, and (2) approval of the TSX Venture Exchange, Canadian Securities Exchange and all other regulatory bodies having jurisdiction in connection with the subject Transaction. The parties anticipate entering into a definitive agreement setting out in more detail the proposed terms of the Transaction (a “Definitive Agreement”).

Robix will be hosting a conference call to discuss the benefits and synergies of the proposed transaction on June 2, 2016 at 11:30 am Mountain Daylight Time. Conference call dial-in numbers will be provided closer to the call. Further details about the proposed Transaction and the resulting issuer will be

provided in a comprehensive news release when the parties enter into a Definitive Agreement and in a disclosure document to be prepared and filed in respect of the Transaction.

Additional information with respect to the Transaction will be provided in subsequent news releases.

In addition, the Company is pleased to announce the appointment of Karla Avla-Jorstad to the position of Chief Operating Officer of Robix. Commenting on Ms. Avla-Jorstad's appointment to COO position, Nathan Hansen said "Karla has been a valuable member of our team for the past year and a half and has led our market penetration efforts in Mexico. She brings a wealth of knowledge to this role and is already deeply connected to potential customers in multiple jurisdictions."

Finally Robix announced that the Corporation, subject to regulatory approval, has granted incentive stock options to purchase a total of 330,000 common shares, at an exercise price of \$0.22 per common share, to an officer and director of Robix. The options expire on May 18, 2019, in accordance with the Corporation's stock option plan. Robix has determined that exemptions from the various requirements of Multilateral Instrument 61-101 are available for the issuance of the options to the officer and director of the Corporation (Formal Valuation - Issuer Not Listed on Specified Markets; Minority Approval - Fair Market Value Not More Than 25% of Market Capitalization).

#### **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.

#### **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 m<sup>3</sup> 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.

For more information please contact:

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*No stock exchange or any securities regulatory body has reviewed the contents of this news release.*

### **Forward-Looking Statements**

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. More particularly and without limitation, this news release contains forward-looking statements in respect of the completion of binding documentation to effect the Transaction. There is no certainty that the Transaction contemplated in the non-binding LOI will be effected by a final and binding Definitive Agreement. Although the Corporation believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Corporation can give no assurance that they will prove to be correct.

Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risk that the formal documentation effecting the Transaction is not completed or accepted. There is no certainty that a Definitive Agreement effecting the business combination will be completed or accepted. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements and information contained in this news release are made as of the date hereof and the Corporation undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.