

TORMONT 50 Tormont50 Growth Report

Tormont50: Identifying timely topics and trends in the sub-\$300 million market.

Research Type: **Update**

Timeliness: **Near-term**

Date: **October 28, 2019**

Mineworx Technologies Ltd.

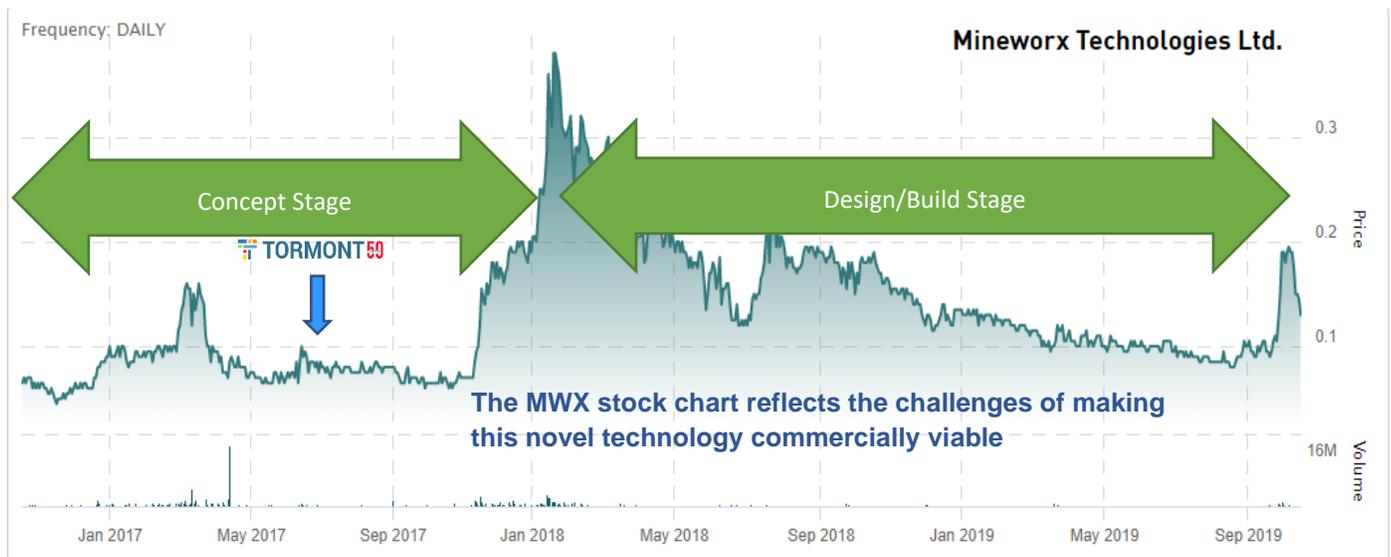
MWX \$0.165

TSXV Exchange | OTCQB: MWXRF | FSE: YRS | Market Cap \$ 51.3M



Update:

We first introduced Tormont50 followers to Mineworx back on July 6, 2017. Since then, long time holders have done well, but not without a true test of investor fortitude. Mineworx and its JV partner EnviroLeach (ETI: CSE) are technology companies on the edge of their science. In scientific discovery, delays are simply part of the process, even if they are not well tolerated by the investment community. Today, it is much easier to **make the case that Mineworx is in a better place than at any time in its history, making this an ideal time to revisit the stock.** More specifically, the de-risking that took place with the building of the 2.0 Vancouver plant is barely reflected in current prices.



Refresh:

For those of you who lost track of or have never explored the Mineworx business, the company has a 20%/80% JV relationship with its majority partner EnviroLeach Technologies on the Version 2.0 Vancouver E-Waste recycling facility. They have constructed the first production plant utilizing EnviroLeach's patent pending chemistry and proprietary processing science to create the greenest and most efficient E-Waste metals recovery system ever designed. The closed-loop technology recovers the precious and other metals in an environmentally friendly process with no air pollutants, landfilling or water effluent.

The first pilot plant, at a leading electronics manufacturer (Jabil) in Memphis, provided the proof of concept and an updated version 2.0 plant is now nearing completion in Vancouver with a scheduled completion date of November 15th.

What has changed?

The answer to that question is far more positive than the chart reflects. This story has evolved from a singular mining sector opportunity, to a diversified, multi-sector opportunity which now includes the E-Waste and catalytic converter sectors.

The e-waste plant is ramping up to commercial production, full-scale, on-site mining tests have been announced (via ETI) showing the proven ability to recover gold from ore concentrates in the mining sector, and advanced lab testing has shown the capability of extracting Platinum and Palladium from scrap catalytic converters.



What started as a mind-boggling \$62 billion addressable market, could be six times larger than that original target. As in all disruptive technologies, skepticism may take some time to melt away, but there is no denying the potential for this technology to make significant inroads in these massive markets. In the near term, EnviroLeach will be the driving force behind both stocks, because the majority of news flow comes through this larger JV partner.

Entering A New Phase:

With the commercial plant in Vancouver ramping up and commercial scale mineral processing proven, this technology now enters the commercialization phase with near-term cash flow imminent. The revenue ramp will be important, but the stocks will still be largely news driven. Luckily, there are quite a few catalysts to watch for in coming months, including:

- The Vancouver plant will ramp up its production tonnage into 2020, and giving investors s reliable key metrics
- New process enhancements are underway to further improve the process and economics
- Lab studies, pilot plant process and economic studies of platinum and palladium recoveries from catalytic converters is underway
- With three markets (e-waste, mining, & catalytic converters), both companies will have potential news flow from three separate sources

While news flow has been inconsistent in the past, that condition is almost certainly going to change. The technology fills an unmet need of significant political, social, and economic importance. Once set in motion, demand for this solution has the potential to become a self-fulfilling prophecy. There is no other solution in the world that can match this technology.

An Elegant Solution, beginning with “dry” processing

The “dry” side pulverizes electronics without the need for disassembly...



... then uses magnetic, optical and electrostatic, processes to separate out recoverable metals...



... resulting in a copper/gold concentrate that can be sold to traditional metal refiners.

The 2nd stage “wet” process goes after the remaining 50% of recoverable gold.

The “wet” side uses a proprietary solution and process, with final recovery via electroplating ...



... and processes the final residue for use in building materials.



... within a closed-loop system that reuses the solution for the next round of material ...



Recommendations:

This is a rare and important story that should be on every investor’s watch list. As a JV partner, Mineworx will play an essential role, but that role is sure to change as EnviroLeach gets deeper into the process of licensing, partnering and operating these facilities. Over the short term, one JV partner may be a better stock trading vehicle than the other, but over the long haul, owning both stocks will be essential in order to capture the full value. We will do our best to keep members well informed as this story develops in coming quarters. In our universe, the EnviroLeach/Mineworx target markets are among the largest of any North American microcap stock, rightfully placing this story near the top of every watch list.

Tormont50 Research

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