

H₂O Innovation Launches FiberFlex™ Hollow Fiber Membrane Module Rack and Containerized Membrane BioReactor (MBR)

All amounts in Canadian dollars unless otherwise stated.

Quebec City, July 25, 2013 – (TSXV: HEO) – H₂O Innovation Inc. (“H₂O Innovation” or the “Company”) is proud to announce today the introduction of its new FiberFlex™ MF/UF membrane module rack design. This skid is physically designed to accommodate several types of microfiltration and ultrafiltration modules. The Company is also launching another innovative platform with a second generation containerized and dual train Membrane Bioreactor dedicated to wastewater effluent.

FiberFlex™

Providing interchangeability between the most popular hollow fiber membrane modules, the FiberFlex™ accommodates modules supplied by Dow, Hydranautics, Toray, Asahi and GE. Depending on the membrane product to be used, the correct module holding plate are selected, and the bottom support beam holding the modules is moved to the correct height and mounted using a set of predrilled holes. This skid provides the opportunity to take advantage of a much wider hollow fiber market during the design phase. And when module replacement is required, the FiberFlex™ racks will allow users to take advantage of future product developments from several membrane manufacturers rather than relying on sole sourced membrane modules that may have inferior performance and non-competitive pricing.

In addition to the FiberFlex™ mechanical flexibility, the system controls and programming can be adapted to meet the operational, backwash and CIP requirements of various process configurations. With the FiberFlex™, changing module supplier goes from very complicated and onerous, to something easily managed and economical. The Company expects to commission its first FiberFlex™ installation by the end of this year.

H₂O Innovation is proud to be the first company in North America to offer such a versatile hollow fiber rack. This innovation will allow the Company to enhance its offer and reinforce its leading position in the water treatment industry. Engineers and customers will greatly benefit from this added flexibility in design and operation that provides procurement leverage to the end-user.

Containerized Membrane Bioreactor (MBR)

H₂O Innovation has developed a containerized Membrane Bioreactor (MBR) package; an advanced wastewater treatment solution that can meet or exceed typical wastewater effluent regulations throughout North America. The membranes used allow for an extremely compact system that can treat up to 100 m³/d. The combination of an activated sludge process with membrane filtration leads to a versatile system that can be used for many different applications to provide superior solids removal while minimizing sludge production and enhancing nutrient removal.

Fully integrated into a standard shipping container, this MBR can be easily transported to an isolated work site or to remote communities with access problems. The container can be insulated to endure the toughest weather conditions, and has full redundancy to allow maintenance while it continues to treat incoming



wastewater. This will be by far the most compact and versatile containerized wastewater treatment package on the market to offer treatment redundancy usually found only in much larger plants.

Prospective disclosures

Certain statements set forth in this press release regarding the operations and the activities of H₂O Innovation may constitute forward-looking statements within the meaning of securities legislation. Forward-looking statements concern analysis and other information based on forecast future results, performance and achievements and the estimate of amounts that cannot yet be determined. Those forward-looking statements, based on the current expectations of management, involve a number of risks and uncertainties, known and unknown, which may result in actual and future results, performance and achievements of the Company to be materially different than the said forward-looking statements. Information about the risk factors to which the Company is exposed is provided in the Annual Information Form dated September 25, 2012 available on SEDAR (www.sedar.com).

About H₂O Innovation

H₂O Innovation designs and provides state-of-the-art, custom-built, and integrated water treatment solutions based on membrane filtration technology to municipal, energy & natural resources end-users. H₂O Innovation also provides a complete line of specialty chemicals and consumables for membrane filtration and reverse osmosis systems. For more, visit www.h2oinnovation.com.

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