



PRESS RELEASE
For immediate release

TSXV: HEO
Alternext: MNEMO: ALHEO
OTCQX : HEOFF

**H₂O Innovation awarded new contracts worth \$6.9 M
and increases its consolidated backlog to \$99.1 M**

Quebec City, October 5, 2016 – (TSXV: HEO) – H₂O Innovation Inc. (“H₂O Innovation” or the “Corporation”) is proud to announce that it was awarded, during the first quarter ended on September 30, 2016, five (5) new contracts in Canada - in Nunavut, Alberta, Manitoba and Quebec respectively, as well as two (2) new contracts in the United States - in Minnesota and Iowa. These new contracts bring the Corporation’s projects sales backlog to \$42.2 M, included in the \$99.1 M consolidated backlog.

The first contract was awarded by a leading company in the mining industry. The Corporation will provide a potable water system and wastewater treatment system, each treating 39.63 gpm (216 m³/day) for a 400-person workers’ camp in Nunavut. This wastewater system will be using the Corporation’s containerized membrane bioreactor (CMBR) process combining the use of advanced biological processes and submerged membranes. Systems using this process create high quality effluent capable of meeting the most stringent effluent requirements. Using the CMBR enables faster system integration and delivery, reduces footprint, and provides better effluent quality.

The second project is with an important oil company from Alberta, for an ultrafiltration (UF) system that will produce 550.36 gpm (3000 m³/day) of potable water. This system will feed the steam generator as well as act as the pre-treatment to their existing nanofiltration (NF) plant. The system will ultimately be delivered in skid mounted buildings, similar to H₂O Innovation’s past projects.

The remaining five (5) contracts awarded to the Corporation are municipal and industrial contracts. Disraeli, a town located in the Chaudière-Appalaches region in the province of Quebec, has awarded the Corporation with a contract to provide a drinking water system capable of producing 330.22 gpm (1800 m³/day) for the municipality. H₂O Innovation distinguished itself from its competitors thanks to its competitive price, its expertise in the municipal sector and its many achievements made in the industry in Quebec and in North America. Additionally, the Corporation will provide Hydro-Québec with a custom-built water treatment system that will produce drinking water for the employees of the La Romaine 3 hydroelectric power plant, located on the North Shore of Quebec. A water treatment system that will produce 175 gpm (953.9 m³/day) for the municipality of Sherburn, Minnesota was also awarded to the Corporation. Lastly, H₂O innovation will supply drinking water systems for the municipality of Slate Falls First Nation, Manitoba, as well as for a Midwestern American university.



About H₂O Innovation

H₂O Innovation designs and provides state-of-the-art, custom-built and integrated water treatment solutions based on membrane filtration technology for municipal, industrial, energy and natural resources end-users. The Corporation's activities rely on three pillars which are water and wastewater projects, specialty products & services, including a complete line of specialty chemicals, consumables, specialized products for the water treatment industry as well as control & monitoring systems, and operation & maintenance services for water and wastewater treatment systems. For more information, visit www.h2oinnovation.com.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) nor the Alternext Exchange accepts responsibility for the adequacy or accuracy of this release.

– 30 –

Source:

H₂O Innovation Inc.
www.h2oinnovation.com

Contact:

Marc Blanchet
+1 418-688-0170
marc.blanchet@h2oinnovation.com