

PRESS RELEASE For immediate release TSXV: HEO Alternext: MNEMO: ALHEO OTCQX : HEOFF

H₂O Innovation awarded \$6.4 M of new contracts, including three wastewater treatment contracts using the new flexMBR[™] technology

Quebec City, October 24, 2016 – (TSXV: HEO) – H_2O Innovation Inc. (" H_2O Innovation" or the "Corporation") is proud to announce that it was awarded new contracts including three (3) wastewater treatment contracts in Canada; two in Alberta and one in Quebec that also incorporates a five-year operation and maintenance ("O&M") contract. These new contracts, using the flexMBRTM technology, bring the Corporation's projects sales backlog to \$48.9 M, included in the \$105.1 M consolidated backlog (combining Projects and O&M contracts).

The first award consist of a wastewater treatment system using a customized containerized membrane bioreactor, designed on the flexMBR[™] platform, and sludge dewatering solutions for a waste management company located in Fort McMurray, Alberta. The system will treat up to 0.2 MGD (750 m³/day) of several workers camps wastewater which will be hauled to the new system for advanced treatment. This project is the first of its kind in Alberta and will be installed within the reserve of Fort MacKay First Nation, where the local company will own and operate the system. The system owner will then recycle the composted biosolids for land reclamation projects in the region.

 H_2O Innovation's state-of-the-art flexMBRTM technology will provide its owner with full flexibility to choose between multiple membrane products for the same system. In years to come, the owners will be able to choose which membrane to use for replacement in a competitive bid to reduce costs. It will also allow the owner to take advantage of new membrane products that will become available in the future.

The two other projects are membrane bioreactors (MBR) servicing private developers. The second project in Alberta will also incorporate the flexMBR[™] design and will include ceramic flat sheet membranes. For the project in Quebec, the Corporation has been awarded the design and construction of the system in addition to a five-year operation and maintenance contract.

"We are excited about the instantaneous uptake by our customers of our flexible approach to MBRs as well as leveraging the services of our new operation and maintenance team. We look forward to the continued development of a longstanding and trusting relationship we can all grow from over the coming years", stated Ryan Waldie, Director System Sales – Canada of H_2O Innovation.

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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.

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- 30 -

Source:

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