



**PRESS RELEASE**  
**For immediate release**

**TSX-V: HEO**  
**OTCQX: HEOFF**  
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**Impacted by the drought, the City of Carlsbad in California selected H<sub>2</sub>O Innovation as part of a design-build team for a new water reuse system**  
The Company signs four new contracts and pushes its sales backlog at \$44 million

*All amounts are in Canadian dollars unless otherwise stated.*

**Quebec City, August 31, 2015** – (TSX-V: HEO) – H<sub>2</sub>O Innovation Inc. (“H<sub>2</sub>O Innovation” or the “Company”) announces today that it has recently been awarded new contracts in the United States and in Canada for a total value of \$7 million, including a contract with the City of Carlsbad in California for the design of a water reuse system. These new contracts bring the sales backlog for water treatment systems up to \$44 million as of August 27, 2015.

The water treatment expertise and knowledge of H<sub>2</sub>O Innovation contributed to a successful design-build effort with the City of Carlsbad in California for the design, manufacture, delivery and commissioning of a water reuse system. This ultrafiltration (UF) system will have a 3 MGD (11,356 m<sup>3</sup>/d) capacity and will treat the effluent of the Encina Water Pollution Control Facility. The filtrate water will then be used for non-potable water applications such as irrigation and certain industrial applications. This design-build project will be the third expansion of the Carlsbad Water Recycling Facility and benefits from financial help provided by the State of California. “Located near our Vista facility, in the heart of a region heavily affected by a historic drought, the award of this contract in favor of H<sub>2</sub>O Innovation again demonstrates our knowledge and ability to provide added value essential to a design-build team”, **stated Frédéric Dugré, President and Chief Executive Officer of H<sub>2</sub>O Innovation.**

Of the contracts secured in the last few weeks, two of them consist of the design, manufacture, delivery and commissioning of drinking water systems for municipalities located within the United States. The Sweetwater Authority in California, located near San Diego, has selected H<sub>2</sub>O Innovation to expand its desalination plant, which were built by the Company in 2000. The existing system produces 4 MGD (15,141 m<sup>3</sup>/d) of drinking water and will be increased to 5 MGD (18,927 m<sup>3</sup>/d) with the addition of three reverse osmosis (RO) trains treating brackish water. This system expansion will benefit the cities of Bonita, Chula Vista, and National City which are all strongly affected by the drought in California. Furthermore, the City of Arkansas in Kansas also contracted H<sub>2</sub>O Innovation to replace its existing lime softening system used for the production of drinking water. A new four trains RO system will be installed to produce 3 MGD (11,356 m<sup>3</sup>/d) of drinking water from groundwater. The manufacturing of this system is preceded by a 45 day piloting period to validate the treatment scheme.



Finally, the Company will design, manufacture, deliver and commission a new membrane bioreactor (MBR) system to be installed in the Province of Quebec. This wastewater system of three trains will treat 36 GPM (196 m<sup>3</sup>/d) of wastewater. This is an important opportunity for H<sub>2</sub>O Innovation since this project enables the Company to introduce, for the first time in the Province of Quebec, one of its green wastewater technologies.

### **Prospective disclosures**

Certain statements set forth in this press release regarding the operations and the activities of H<sub>2</sub>O 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 22, 2014 available on SEDAR ([www.sedar.com](http://www.sedar.com)).

### **About H<sub>2</sub>O Innovation**

H<sub>2</sub>O Innovation designs and provides state-of-the-art, custom-built, and integrated water treatment solutions based on membrane filtration technology for municipal, energy and natural resources end-users. Also, directly and through its affiliates, H<sub>2</sub>O Innovation provides services and products complementary to its membrane filtration and reverse osmosis systems. These products consist of a complete line of specialty chemicals, consumables and couplings. For more, visit [www.h2oinnovation.com](http://www.h2oinnovation.com).

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### **Source :**

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