



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

**TSXV: HEO**  
**Alternext: MNEMO: ALHEO**  
**OTCQX: HEOFF**

## **H<sub>2</sub>O Innovation announces the acquisition of a unique control technology, Clearlogx®**

**Quebec City, September 24, 2015** – (TSXV: HEO) – H<sub>2</sub>O Innovation Inc. (“H<sub>2</sub>O Innovation” or the “Corporation”), a leader in membrane filtration, is proud to announce the signature of an agreement with Clearlogx, Inc. (“Clearlogx”) to purchase all of the assets of Clearlogx pertaining to its unique Clearlogx® control technology and its specialty coagulants.

The Clearlogx® technology is a proprietary technology developed by Mr. Gregg McLeod, director and shareholder of Clearlogx, which precisely and continuously controls the feed of specialty coagulants used in water treatment to maintain a proper pH level and an optimum particle charge, while simultaneously improving overall treatment process efficiency. This technology is especially critical for ultrafiltration (UF) water treatment plants to minimize membrane fouling, and thus, highly complementary to H<sub>2</sub>O Innovation’s project business.

In addition to the Clearlogx® technology, H<sub>2</sub>O Innovation will purchase Clearlogx’s business related to the sale of coagulants for conventional and membrane filtration systems. This line of specialty coagulants is complementary to the Corporation’s specialty chemicals marketed under the name PWT™ and will significantly increase the level of recurrent sales.

The Clearlogx® control technology will be added to the Corporation’s systems group offering while the specialty coagulants business will join PWT™ speciality chemicals group, making both of them stronger and more profitable.

"This acquisition fits perfectly with H<sub>2</sub>O Innovation’s vision to complement its offering to its customers and to create synergies between its different business lines. Moreover, this transaction will be accretive from day one to our earning with current sales of approximately US\$1.2 million per year and an EBITDA level reaching 15% to 25% of Clearlogx’s revenues. This new business unit will undoubtedly contribute to the growth and profitability of H<sub>2</sub>O Innovation by complementing its offering, generating more recurrent sales and bringing differentiation", **explained Frédéric Dugré, President and Chief Executive Officer of H<sub>2</sub>O Innovation.**

Entirely financed by a secured long-term debt of US\$2 million with a Canadian chartered bank, the transaction will not require equity financing, thus avoiding dilution of H<sub>2</sub>O Innovation’s shareholders ownership. The disbursement of the loan is subject to the execution of proper documentation related to collateral.

Subject to the execution of the documents pertaining to financing and collateral, H<sub>2</sub>O Innovation expects to execute a definitive asset purchase agreement and to complete this acquisition at the beginning of October 2015.

### **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 Corporation to be materially different than the said forward-looking statements. Information about the risk factors to which the Corporation is exposed is provided in the Annual Information Form dated September 22, 2015 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 information, visit [www.h2oinnovation.com](http://www.h2oinnovation.com).

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### **Source :**

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