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H₂O Innovation: Utility Partners renews four contracts and expands into new territory totaling \$6.8 M

Quebec City, April 12, 2017 – (TSXV: HEO) – H₂O Innovation Inc. (“H₂O Innovation” or the “Corporation”) is proud to announce that Utility Partners, LLC (“UP”), its subsidiary providing operation and maintenance services (“O&M”) in the United States, recently renewed four (4) municipal contracts and was awarded a project in New Mexico, which bring the Corporation’s O&M business backlog to \$60.4 M.

The municipalities that renewed their O&M contracts with UP are located in the States of California, Mississippi, Georgia, and New Hampshire. The first of them was extended for one year with a four-year option, renewable annually. The second contract was signed for an additional five (5) years and includes consumables products as well as membrane replacement for the entire duration of the contract. Specifically for this contract, UP with H₂O Innovation’s help, built an added value proposition for this municipality by engineering the membrane replacement at optimal cost and performance. By doing so, the city benefits from H₂O Innovation’s membrane expertise - thus improves its operating costs (OPEX). As for the other two contracts, they were renewed for an additional year each.

UP also won a new operation and maintenance services contract for an initial period of three (3) years, in the State of New Mexico. “This new contract will allow us to establish ourselves in a new territory, the State of New Mexico, where we have not operated any water treatment system so far. This gives us the energy and optimism to keep expanding into new markets. The exceptional customer service provided by our team has definitely played a crucial role in the renewal of these four (4) operation and maintenance municipal contracts. We are also very enthusiast about the synergy between H₂O Innovation’s and UP’s teams. The Corporation recently benefited from cross-selling opportunities when H₂O Innovation’s engineering team was called upon to support UP’s team on O&M projects in New Hampshire and Mississippi. The combination of the companies’ expertise definitely makes us stronger and better equipped”, **stated Bill Douglass, Vice-President of the Operation & Maintenance division of H₂O Innovation and Managing Director of Utility Partners.**

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 i) water and wastewater projects; ii) specialty products and services, including a complete line of specialty chemicals, consumables, specialized products for the water treatment industry as well as control and monitoring systems; and iii) operation and maintenance services for water and wastewater treatment systems. For more information, visit www.h2oinnovation.com.



About Utility Partners

Utility Partners operates, maintains, and repairs water and wastewater treatment plants, distribution equipment and other water utilities for all of municipal customers. It currently employs 360 employees for the operation of thirty-eight (38) utilities in seven (7) US states, mainly on the US Gulf coast, Southeast, Northeast (New England) and the West Coast.

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.

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