

PRESS RELEASE
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TSXV: HEO
Alternext: MNEMO: ALHEO
OTCQX : HEOFF

H₂O Innovation and Sustainable Water deliver Water Reuse Infrastructures Through Water Processing Agreements

Quebec City, March 25, 2019 – (TSXV: HEO) – H₂O Innovation has partnered with Sustainable Water (“SW”) – Glen Allen, VA – on more than 45 eco-engineered wastewater reclamation and reuse projects in the United States. These projects range from small community-scale water treatment to district-scale wastewater reclamation and reuse. The partnership with Sustainable Water spans beyond technology, system design and operations into full Water Processing Agreements which also include project development, finance and investment. This is a strategic collaboration that will allow a greater reach into the water reuse market. "Our partnership with H₂O Innovation combines decades of water treatment experience and an ability to provide clients with unmatched expertise for customized water management solutions", **stated Jonathan Lanciani, President of Sustainable Water.**

"Up to now, we have disclosed six (6) projects, which are now part of our \$50.0 M backlog, and we are actively working on a pipeline of 41 opportunities for similar-sized water recycling plants. This partnership with Sustainable Water is looking very promising at a time when the decentralized water reuse market is exploding. The momentum we are building with Sustainable Water will certainly create a lot of value for both our organisations", **stated Frédéric Dugré, President & CEO of H₂O Innovation.**

The partnership's first project consists of a wastewater reclamation and reuse system serving a major manufacturing plant in Virginia. Called the Virginia WaterHub®, this system combines natural, hydroponic, treatment techniques with the flexMBR™ open technology and reverse osmosis ("RO"). This system will treat 0.7 MGD (2,650 m³/day) of domestic and industrial wastewater coming from a manufacturing center's campus. On-demand, recycled wastewater will be used in cooling towers – reducing the campus potable water footprint by nearly 40%.





The Virginia WaterHub® is a hallmark of H₂O Innovation's design & operation collaboration with Sustainable Water. This project, like many other WaterHub® projects, are owned by Sustainable Water through a Water Processing Agreement (WPA). A WPA is an agreement that allows Sustainable Water to invest on behalf of the client to design, build, operate, and maintain a water treatment and reclamation system.

The construction of the Virginia WaterHub® is nearing completion and system start-up is slated for the summer of 2019. H₂O Innovation O&M business line, Utility Partners, will also operate the system on behalf of Sustainable Water, for an initial 5-year period. The system will use H₂O Innovation's state-of-the-art Intelogx™ software package custom designed for WaterHub® reclamation and reuse projects. "In the projects we delivered for SW, we used our latest membrane technologies (flexMBR™), we provided our Intelogx™ software that has the most attractive user experience in the water industry, and we provided the staff & the expertise to operate the plant; we basically take full accountability for both CAPEX and OPEX. Delivering such a level of long-term price certainty to a water asset developer like Sustainable Water is a unique offering that no other equipment firm is able to provide. This is also why the collaboration with Sustainable Water is a true partnership, way beyond the typical supplier-customer relationship", **added Guillaume Clairet, COO of H₂O Innovation.**

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 Sustainable Water

Sustainable Water is a water management consulting firm and water infrastructure developer, focusing in district-scale water reclamation and reuse projects. Sustainable Water specializes in the design-build of ecologically-engineered wastewater treatment solutions. The company develops solutions for a variety of industries, including higher education, automotive manufacturing, food & beverage manufacturing, office parks and airports. Their WaterHub® reclamation projects are changing the paradigm for wastewater management in urban environments. To learn more please visit www.sustainablewater.com.

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Source:

H₂O Innovation Inc.
www.h2oinnovation.com

Contact:

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

H₂O Innovation Inc.
330, rue Saint-Vallier Est, Suite 340
Quebec City (Quebec) G1K 9C5
Canada

Tel. : +1 418-688-0170
Fax : +1 418-688-9259
www.h2oinnovation.com
info@h2oinnovation.com