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H₂O Innovation Secures 7 New Projects, Totalling \$7.6 M and Received Notice of Cancellation for One Project

Quebec City, May 5, 2020 – (TSXV: HEO) – H₂O Innovation Inc. (“H₂O Innovation” or the “Corporation”) is proud to announce it was awarded seven (7) new projects in North America. These new contracts, totaling \$7.6 M, along with the cancelled project worth \$9.9 M, will bring the Corporation’s project sales backlog to \$33.3 M.

H₂O Innovation has secured two major design-build projects in Santa Monica and Morro Bay, California. The first one is for an advanced water treatment facility for indirect potable reuse. Their 2-train reverse osmosis (“RO”) system will treat up to 0.6 MGD (2,271.2 m³/day). The treated water produced by the City’s recycling facility will be blended with treated water from the new advanced water treatment facility in the recycled water system. In a subsequent phase, this blend will also be injected for groundwater recharge and indirect potable reuse. The second project was awarded for a wastewater reuse system. The 3-train RO system will treat 0.9 MGD (3,515.9 m³/day).

The Corporation was also awarded an expansion of an existing wastewater treatment plant at a gold mine in Nunavut, which H₂O Innovation originally started up in 2017, to accommodate an expansion at the worker’s camp. The expansion of the membrane bioreactor (“MBR”) treatment process will increase the plant capacity to 0.08 MGD (300 m³/day). In addition, two small projects were awarded to H₂O Innovation in the province of Quebec. In Ohio, the Corporation is providing a RO membrane system to be installed in a new drinking water treatment plant. The system is designed for an initial capacity of 3.0 MGD (11,356.2 m³/day), with future expansion to 4.0 MGD (15,141.6 m³/day). This plant will replace an existing plant, which uses conventional lime softening and media filtration to treat their groundwater.

The seventh project H₂O Innovation has been awarded is for a high recovery RO system for a US textile manufacturer. This project is located in Coahuila, Mexico at a denim textile fabric manufacturing facility that includes spinning, weaving, dyeing, and finishing. The feed water for the RO system will be industrial wastewater pretreated with tubular MBR. The multistage, high pressure, high recovery RO supplied by the Corporation will operate at 90-92% recovery and reduce dissolved organics and salts. The high-quality RO permeate will be reused at the facility for textile processes and significantly reduce their well water demand. “This is a great project for us and further illustrates our focus in wastewater reuse. To date, our membrane systems have produced over 400 billion gallons of high-quality treated wastewater which has significantly reduced demand on our overburdened natural resources”, **stated David Faber, VP – Capital Projects Sales of H₂O Innovation.**

“Unfortunately, the Corporation has just received a notice of cancellation for one of his major RO project in California, awarded back in 2014. The California Coastal Commission staff recommended denial of the permit for the desalination project. After the engineering part was completed, the project



has been on hold and postponed several times. We knew that this was coming, but we received only last week the official notice of termination from the consultant engineering, leading the design-build team. Therefore, we removed the remaining value of the contract, amounting \$9.9 M, from our backlog”, **added Frédéric Dugré, President and CEO 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 & wastewater projects, and aftermarket services; ii) specialty products, including a complete line of specialty chemicals, consumables and specialized products for the water treatment industry; and iii) operation and maintenance services for water and wastewater treatment systems. For more information, visit www.h2oinnovation.com.

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