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H₂O Innovation Secures 6 New Projects, Totaling \$17.8 M and Rebrands the First Business Pillar

Quebec City, August 24, 2020 – (TSXV: HEO) – H₂O Innovation Inc. (“H₂O Innovation” or the “Corporation”) is proud to announce it was awarded six (6) new municipal and industrial projects in North America. These new contracts, totaling \$17.8 M, will bring the Corporation’s project sales backlog to \$42.2 M.

The first project won by the Corporation is for a dual membrane system upgrade of a municipal water treatment plant in Manitoba, with a total project value of \$10.0 M. When completed, this project will be one of the largest dual membrane drinking water plants in Canada. Only the detailed engineering and the 12-month pilot study representing \$0.7 M have been added to the backlog. The remainder will be added to the backlog upon the successful completion of the pilot. The system designed by H₂O Innovation will treat the surface water of a river by ultrafiltration (“UF”) followed by nanofiltration (“NF”). The initial treatment capacity will be 9.9 MGD (1,561 m³/hour) for the UF system and 7.9 MGD (1,246 m³/hour) for the NF system.

The second contract awarded to H₂O Innovation, by an industrial customer, concerns the supply of a 6-train reverse osmosis (“RO”) system, including feed pumps and cartridge filter housings, a clean-in-place and flush system, as well as an antiscalant dosing system. It will treat 6.0 MGD (946 m³/hour) for a customer in the food and beverage industry located in Ohio.

The third project, also for an industrial customer, is for an expansion to an existing water treatment system that H₂O Innovation provided back in 2007. The client was looking to increase its production capacity due to increasing water demand. The Corporation will provide three (3) additional UF trains with a total capacity of 250 GPM (57 m³/hour), one (1) RO train with a capacity of 180 GPM (41 m³/hour), and one (1) sand filter for the cooling tower system.

The Corporation also won two (2) other municipal projects in the Canadian provinces of New Brunswick and Alberta. The first consists of a water treatment system with a capacity of 0.5 MGD (79 m³/hour) for the Village of Petit Rocher (NB). The project will treat surface water with multimedia filtration (“MMF”) followed by NF. The second project is for a membrane bioreactor system (“MBR”) that will replace the city’s wastewater treatment plant in Alberta. H₂O Innovation has been operating this plant since 2018, and the new MBR will increase the scope of the Corporation’s Operation and Maintenance (“O&M”) contract.

Finally, the Corporation will build a 0.3 MGD (57 m³/hour) seawater reverse osmosis (“SWRO”) desalination plant for a resort facility in the Caribbean.

In addition to the new projects announced above, the Corporation is excited to announce a strategic change in their business alignment. In the first business pillar, the *Water & Wastewater Treatment*



Projects and Aftermarket Services businesses will be combined into a single entity called *Water Technologies & Services* (“WTS”). “We believe that this new name will better reflect who we are, what we do, and what we have to offer our customers. The combination of the two businesses puts us in the best position to develop sustainable relationships with our customers and improve our operational efficiency. By maximizing client retention, our team will focus more on activities generating recurring revenues which also help improve our gross profit margins”, **stated 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 technologies and 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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