



1443 SPITFIRE PLACE | PORT COQUITLAM, BC | V3C 6L4 CANADA

PRESS RELEASE

August 22, 2016

CSE: IWS; FRANKFURT: IWI

IWS Announces Closing of Private Placement

VANCOUVER, B.C., August 22, 2016 – International Wastewater Systems Inc. (the “Company”) (CSE: IWS) (FRANKFURT: IWI) is pleased to announce the completion of the Company’s previously announced non-brokered private placement pursuant to which the Company has issued 4,800,000 common shares in the capital of the Company (the “**Shares**”) at a price of \$0.20 per Share for aggregate gross proceeds of \$960,000 (the “**Offering**”). Proceeds from the Offering will be used for repayment of the Company’s outstanding loan (see press release dated March 21, 2016) and working capital to fulfill the manufacture and installation of the projects with Metro Vancouver and the British Columbia Housing Management Commission.

In connection with the Offering, the Company paid finder’s fees and expenses of \$77,100 and issued 384,000 warrants, each warrant exercisable at a price of \$0.20 for a period of two years from the date of issue.

All securities distributed pursuant to the Offering will be subject to a statutory hold period of four months and a day from the date of issuance.

ON BEHALF OF THE BOARD

“Lynn Mueller”

Lynn Mueller

Chairman and Chief Executive Officer

FOR MORE INFORMATION, PLEASE CONTACT:

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About International Wastewater Systems Inc.

International Wastewater Systems Inc. (CSE: IWS) (Frankfurt: IWI) is a world leader in wastewater heat recovery. IWS systems recycle thermal energy from wastewater, generating the most energy efficient and economical system for heating, cooling & hot water for commercial, residential and industrial buildings.

The CSE does not accept responsibility for the adequacy or accuracy of this release.