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PRESS RELEASE

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IWS Announces China Licensing Agreement with Beijing Ruibaoli Thermal Technology Co.

VANCOUVER, B.C., November, 2016 – International Wastewater Systems Inc. (the "Company") (CSE: IWS) (FRANKFURT: IWI) (OTC: INTWF) is pleased to announce a Memorandum of Understanding with Beijing Ruibaoli Thermal Technology Co., Ltd., ("BRTT") of Beijing, China whereby IWS will provide BRTT with a non-exclusive license to market and sell IWS's proprietary thermal heat recovery equipment in China under the SHARC and PIRANHA brands ("China License Agreement").

BRTT is a leader in the manufacturing and installation of wastewater heat exchange systems in China with a track record of successful projects including the Beijing South Train Station (1.5 million square feet), Beijing Kunlun Hall (1.1 million square feet) and the Shenyang District Energy System (3.5 million square feet). Led by its President, Mr. Qu Yuxiu, BRTT has installed thermal heat recovery projects in 17 Chinese provinces and 20 cities, serving over 50 million square feet of new and retro-fit real estate projects.

The China License Agreement is structured as a licensing fee that BRTT will pay to IWS for each unit sold in China. BRTT estimates sales of 1,000 PIRANHA units in the first year of the China License Agreement. Prior to launching the IWS products in China, BRTT and IWS will work jointly to install SHARC and PIRANHA demonstration projects for BRTT's clients. The China Licensing Agreement requires BRTT to guarantee the quality of all IWS products manufactured, marketed and sold in China, conforming to IWS's global quality control standards.

BRTT has developed its own intellectual property for thermal recovery technology, and in addition to the China Licensing Agreement, the two companies will collaborate on the advancement of next generation thermal recovery technology. License fees for other products developed by IWS will be agreed by the companies an individual product basis.

Mr. Qu Yuxiu, BRTT President said: "BRTT is experiencing dramatic growth in the demand for thermal heat recovery projects in China. IWS technology, particularly the PIRANHA, provides a

turn-key thermal heat recovery solution that can serve most small and medium sized buildings, significantly expanding the market for these systems."

Mr. Lynn Mueller, CEO of IWS commented: "We are excited to enter the Chinese market with Beijing Ruibaoli Thermal Technology Co., an industry-leader in the region. Our agreement allows IWS to rely on BRTT's expertise for the deployment of our technology in China while maintaining control of the standards and quality of our products and earning revenues from all IWS products sold in China".

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. is a world leader in thermal heat recovery. IWS systems recycle thermal energy from wastewater, generating the most energy efficient and economical systems for heating, cooling & hot water for commercial, residential and industrial buildings. IWS is publicly traded in Canada (CSE: IWS), the United States (OTC:INTWF) and Germany (Frankfurt: IWI).

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