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PRESS RELEASE

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April 7, 2017

CSE: IWS; FRANKFURT: IWI; OTC: INTWF

IWS Closes Final Tranche of Brokered Private Placement

VANCOUVER, B.C., April 7, 2017 – International Wastewater Systems Inc. (the “Company”) (CSE: IWS) (FRANKFURT: IWI) (OTC: INTWF) is pleased to announce, further to its news release dated February 27, 2017, that it has closed the final tranche of the Company’s brokered private placement (the “**Brokered Placement**”), led by Haywood Securities Inc. as agent.

Under the final tranche of the Brokered Placement, the Company has issued 2,417,000 units (“**Units**”) at a price of \$0.30 per Unit for gross proceeds of \$725,100. Each Unit consists of one common share (a “**Share**”) and one common share purchase warrant (a “**Warrant**”) of the Company. Each Warrant entitles the holder to purchase one Share until February 27, 2019 at an exercise price of \$0.40 per Share

The Company has paid cash commissions in the amount of \$31,282.50 from the sale of Units under the final tranche of the Brokered Placement. The Company has also issued to the Agent and members of the selling group an aggregate of 104,275 non-transferrable warrants (“**Agent’s Warrants**”). Each Agent’s Warrant entitles the holder to purchase one Share at a price of \$0.30 until February 27, 2019.

As previously announced on January 19, 2017, the Company amended the terms of the Company’s non-brokered private placement completed on December 23, 2016 (the “**Non-Brokered Placement**”) to offer each participant in the Non-Brokered Placement one Warrant for each Share purchased in the Non-Brokered Placement on the same terms as the Brokered Placement. Accordingly, the Company has issued a total of 2,275,333 Warrants to purchasers from the Non-Brokered Placement.

In total the Company raised aggregate gross proceeds of \$2,205,655 pursuant to the Non-Brokered Placement and the Brokered Placement.

All securities distributed pursuant to the Brokered Placement and Non-Brokered Placement are 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. 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.