



## SHARC Energy Systems Announces Funding for the Clyde Gateway Regeneration Project

VANCOUVER, British Columbia, June 18, 2018 -- **SHARC International Systems Inc.** (CSE:SHRC) (FSE:IWIA) (OTCQB:INTWF) ("**Company**" or "**SHARC**") is pleased to announce that the Company's UK subsidiary, SHARC Energy Systems has agreed to a funding deal through the 2014-2020 European Regional Development Fund to support the construction of the district heating scheme at the Clyde Gateway regeneration project in Glasgow, Scotland.

SHARC will use its innovative wastewater heat recovery technology to generate the heating and cooling services for the site's future occupiers, providing an initial 2MW of capacity, with room to expand further as the development grows.

Having secured Andrew Muirhead & Son Limited leather manufacturer as the anchor customer for its system, SHARC has been able to close the initial funding of £3.7 million (CDN \$6.37 million), with repayable assistance from the Scottish Government's [Low Carbon Infrastructure Transition Programme](#) (the "**LCITP**"), supported by the 2014-2020 European Regional Development Fund programmes. The LCITP support is matched to commercial loans and investments from the Energy Saving Trust, Clyde Gateway and SHARC Energy Systems.

Regeneration agency Clyde Gateway is working with SHARC Energy Systems after the UK firm, which is based in Glasgow and Newark in Nottinghamshire, demonstrated the benefits of its proprietary heating and cooling technology. SHARC has a joint venture agreement with Scottish Water Horizons, the commercial arm of Scottish Water, enabling it to tap in to the utility's nearby sewers. SHARC will build its specialist energy centres on the Clyde Gateway site, manned by staff who monitor and maintain all the SHARC units required to serve the site, enabling occupiers to have direct contact with their energy provider.

SHARC's technology extracts the natural warmth contained within this water and transfers the heat to the clean side of the heating system via a heat exchange mechanism. The recovered heat is then amplified via heat pumps to generate the appropriate temperatures for use in all types of buildings. SHARC provides heating and cooling to customers through a heat supply agreement. This works like that of any energy supplier, with the main advantages including no up-front costs and competitive prices capped for the length of the agreement.

Additional benefits include reduced carbon emissions and protection against energy shortages as wastewater is an inexhaustible resource.

Russ Burton, the Chief Operating Officer of SHARC Energy Systems, said: "We are delighted that we have achieved this significant milestone, enabling us to move confidently to construction over the next few weeks. It means we are now in a position to get going with the installation of our wastewater recovery systems at what is Scotland's biggest regeneration project. It is a very exciting moment for all of the team at SHARC. This project will enable us to further demonstrate our contribution to the Scottish Government's ambitious and exciting energy decarbonisation and transition strategy, aimed at developing a low carbon economy for Scotland."

Ian Manson, the Chief Executive of Clyde Gateway, said: "We are delighted to be working with SHARC to deliver a major component of our commitment to delivering low carbon energy solutions for the benefit of our local businesses and communities."

Paul Kerr, Head of Scottish Water Horizons, said: "With low-carbon heat so high on the Scottish Government's agenda, we are proud to be at the forefront of facilitating this innovative technology. Scottish Water Horizons is always actively exploring ways in which we can utilise existing Scottish Water assets to support green energy, lower customer costs and protect the environment. The application at Clyde Gateway is an excellent example of how we can significantly reduce carbon through a district heating network, and paves the way for more projects like this in the future."

Anthony Kyriakides, Head of Renewables at Energy Saving Trust, said: "We are pleased to be supporting this innovative project in the heart of Glasgow. The project, part funded by the district heating loan fund that we manage on behalf of the Scottish Government will reduce carbon emissions, improve local air quality by utilising waste water heat recovery systems and support local jobs."

Lynn Mueller, the Group Chairman and CEO of SHARC International Systems Inc., commented: "SHARC International Systems is extremely proud of what our UK team is achieving alongside the wider community in Scotland and we are very proud to be a part of the journey. The Scottish Government, Clyde Gateway, and Scottish Water Horizons are all raising the sustainability bar and building a route map for communities around the world. Scotland is clearly the world leader in its commitment to carbon reduction and making the planet more liveable for future generations."

### About Clyde Gateway

Clyde Gateway was established in 2008 to carry out the regeneration of 840 hectares across the east end of Glasgow and South Lanarkshire. Working in partnership with Glasgow City Council, South Lanarkshire Council, Scottish Enterprise and the

Scottish Government, Clyde Gateway is driving forward £1.5 billion of private sector investment to establish this area as a hub of business activity. The success to date has been remarkable – of the 800,000 square feet of Grade A office and industrial space that Clyde Gateway has already developed, more than 85 per cent has been let or sold.

### **About SHARC International Systems**

SHARC International Systems Inc. is a world leader in thermal heat recovery. SHARC systems recycle thermal energy from wastewater, generating one of the most energy efficient and economical systems for heating, cooling & hot water preheating for commercial, residential and industrial buildings. SHARC is publicly traded in Canada (CSE:SHRC), the United States (OTCQB:INTWF) and Germany (Frankfurt:IWIA).

Further information about the Company is available on our website at [www.sharcenergy.com](http://www.sharcenergy.com) or under our profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### **ON BEHALF OF THE BOARD**

"Lynn Mueller"

Chairman and Chief Executive Officer

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