



SHARC Energy Announces Closing of First Tranche of Private Placement of Convertible Debenture Units

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VANCOUVER, British Columbia, May 06, 2019 -- **Sharc International Systems Inc. (CSE: SHRC) (FSE: IWIA) (OTCQB: INTWF) ("SHARC" or "the Company")** is pleased to announce announced today that, further to its news release dated March 26, 2019, it closed the first tranche of convertible debenture units ("**Units**") for gross proceeds of \$1,330,000 pursuant to a non-brokered private placement (the "**Offering**") of Units.

Each Unit consists of: (i) \$1,000 principal amount of 8.0% unsecured convertible debentures (the "**Debentures**"); and (ii) 1,563 warrants (each a "**Warrant**"). The Company will use the net proceeds of the Offering for development of the Company's projects in the United Kingdom, and for general and working capital purposes.

The Debentures bear interest from their issue date at 8.0% per annum, payable semi-annually in arrears on June 30, 2019, and thereafter semi-annually on the last day of June and December in each year and mature three years following the date of issuance (the "**Maturity Date**"). The Debentures are unsecured, and rank pari passu in right of payment of principal and interest with all the existing and future unsecured indebtedness of the Company.

The Debentures (including any accrued and unpaid interest) are convertible at the option of the holder into common shares of the Company (the "**Common Shares**") at any time after the first anniversary of the date of issuance and prior 5:00 p.m. (Pacific time) on the last business day prior to the Maturity Date at a conversion price of \$0.32 per Common Share (the "**Conversion Price**").

If after May 3, 2020 the closing price of the Common Shares on the Canadian Securities Exchange (the "**CSE**") is \$0.64 or greater for 20 consecutive trading days, the Company may, at its option, convert the Debentures (including any accrued and unpaid interest) into Common Shares at the Conversion Price by disseminating a press, in which case the Debentures shall be converted into Common Shares on the second business day after dissemination of such press release.

Each Warrant is exercisable to acquire one Common Share (a "**Warrant Share**") at an exercise price of \$0.40 per Warrant Share for a period of three years following the date of issuance.

In connection with the Offering, the Company paid eligible finders a cash fee of \$79,800 and issued 80 compensation warrants to eligible finders (the "**Compensation Warrants**"). Each Compensation Warrant entitles the holder thereof to purchase one Unit of the Company at an exercise price of \$1,000 for a period of three years following the date of issuance. The Units issuable upon exercise of the Compensation Warrants are on the same terms as the Units sold under the Offering.

The Debentures and the Warrants comprising each Unit, and any Common Shares issuable upon conversion or exercise thereof, are subject to a statutory four month and one day hold period until September 4, 2019.

The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The Company also announces that the Board of Directors has granted a total of 800,000 stock options (the "**Options**") to Directors, Officers, Employees and Consultants. A total of 700,000 options will be exercisable until December 18, 2019 at an exercise price of \$0.26 per stock option. A total of 100,000 will be exercisable for a period of twenty-four months at an exercise price of \$0.26 per stock option.

About SHARC International Systems

SHARC International Systems Inc. is a world leader in thermal heat recovery. SHARC™ technology 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 or under our profile on SEDAR at www.sedar.com.

ON BEHALF OF THE BOARD

"Lynn Mueller"

Chairman and Chief Executive Officer

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Forward-Looking Statements

Certain statements contained in this news release may constitute forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "will", "intend", "should", and similar expressions. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. SHARC's actual results could differ materially from those anticipated in this forward-looking information as a result of regulatory decisions, competitive factors in the industries in which the Company operates, prevailing economic conditions, and other factors, many of which are beyond the control of the Company. SHARC believes that the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon. Any forward-looking information contained in this news release represents the Company's expectations as of the date hereof, and is subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable securities legislation.