SHARC Energy and Borders College Powering on with Green Heat Milestone

VANCOUVER, British Columbia, May 23, 2019 -- **Sharc International Systems Inc. (CSE: SHRC) (FSE: IWIA) (OTCQB: INTWF) ("SHARC" or "the Company")** is pleased to announce that SHARC Energy and Borders College are celebrating the delivery of 2 gigawatt hours (**"GWh"**) of renewable heat delivery from their pioneering SHARC™ wastewater heat recovery plant installed at the Galashiels Campus to generate low carbon, green heating for the college.

With 223 tonnes of carbon savings achieved since the system was commissioned, the project has provided SHARC Energy a significant opportunity to test and learn the limits of the system in a live environment and has become a powerful demonstration of how wastewater heat recovery can support the decarbonisation of heat in the UK.

Commenting on the milestone achievement, SHARC's UK Managing Director Russ Burton said, "As a pioneer in this space, the early adoption by the Borders College team, alongside the support of Scottish Water Horizons, provided us with a great opportunity to learn some valuable lessons across the whole process, including the use of a town sewer resource through to retrofitting heat pumps to an aging gas heated building. We have widened our capability and gained confidence in managing the sensitivities of sewer facilities so we can develop this major energy resource that exists in every urban centre across the world. Wastewater heat recovery represents a significant opportunity to replace natural gas consumption, especially in the developing heat network sector, and we would like to thank both Borders College and Scottish Water Horizons for having the vision to appreciate the potential of the technology. The 2GWh is a significant achievement and reaffirms low-carbon wastewater heat recovery as an important weapon in the fight against climate change."

The award-winning installation at Borders College that was completed in December 2015 and is SHARC Energy's first installation of their ground-breaking wastewater heat recovery system outside North America and at the time the largest SHARC™ installation anywhere in the world.

By constructing a central energy hub and retrofitting the college's five buildings on campus, ranging from a Victorian mill to modern workshops, and distributing the heat through a buried heat network, the project has provided significant opportunities to test the capabilities of the technology as well as demonstrate how wastewater heat recovery can support the UK Government's quest to decarbonize heat.

SHARC Energy used the project as a research & development opportunity to show that wastewater heat recovery is commercially and technically viable concept for the UK, using commercial finance to cover the cost of installation, supported by long term heat supply agreements to recover the construction cost over time. In engineering terms, the SHARC™ system is a thermo-mechanical solution, filtering solids from wastewater before recovering energy through heat exchange and heat pump processes and circulating through an insulated pipe network.

A second phase of the project, including the installation of on-site solar and battery technologies to reduce the system's dependency on grid electricity to run the heat pumps, will see further growth in heat and carbon-reduction benefits.

More than 200 open house visits have taken place since launch, energy managers from across the UK keen to see how they can use recovered wastewater heat in their own operations, including water companies, district energy utilities and local authorities, creating a pipeline of new projects and installations from around the UK, allowing SHARC Energy to explore new partnerships and business models to accelerate deployment and expand into Europe.

Adding to Burton's comments, Robert Hewitt, Facilities Manager at Borders College, said, "Borders College are delighted the SHARC system has now generated 2GWh of heat since installation and thrilled to be part of this exciting project to help pioneer innovative technologies to reduce CO2 emissions. The system has played a crucial role in the College reducing our CO2 emissions by over 30% in the same period, we look forward to completing phase 2 which will provide additional carbon benefits and continuing our successful relationship with SHARC."

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).

About SHARC Energy Ltd. (UK)

SHARC Energy is a wholly owned subsidiary of SHARC International Inc. a world leader in wastewater heat recovery, based in Vancouver British Columbia. Located in Glasgow and Nottinghamshire, the UK operation delivers sewage heat recovery technology and support services across the wider UK and EU.

SHARC Energy facilitates the recovery of a vast global resource – the 25% of a building's energy usage that exits through the sewer. Wastewater heat recovery using the SHARC™ thermo-mechanical technology represents a significant opportunity to decarbonize energy; across the EU and North America, 330 billion litres of wastewater are discharged through the sewer

system every day, giving us the potential to replace 1.5 billion MWh of natural gas consumption. SHARC Energy's stated mission is to save 1 million tonnes of carbon emissions by 2025.

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

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