



## SHARC Restructuring of UK Operations

VANCOUVER, British Columbia, Oct. 11, 2019 -- **Sharc International Systems Inc. (CSE: SHRC) (FSE: IWIA) (OTCQB: INTWF) ("SHARC" or "the Company")** today announced the Company has started the process of restructuring its UK operations with a view to improving its balance sheet by reducing its financial commitments and ongoing liabilities through the divestiture of its UK subsidiaries and assets.

In doing so, SHARC will focus its business model towards faster moving Piranha and Piranha HC unit sales and leasing while continuing to engage with engineers, architects, municipal and government leaders, developers and sewage authorities, amongst others, on the inclusion of SHARC district energy systems on specified drawings and designs.

The Company has sold its 50% interest of Bandwidth Energy Limited to Scottish Water Horizons Limited for £10,000 cash and terminated the agreement for the execution of certain works, namely the design, installation, testing and commissioning of a new sewage heat recovery system for £15,000. The Company intends to work with Scottish Water Horizons in commissioning the Aqualibrium project upon completion and providing future support as requested.

Furthermore, the Company has entered into a voluntary liquidation of UK subsidiaries, Sharc Energy Limited (UK) and Sharc Highlands Limited. Upon completion, the Company will eliminate close to \$4M in debt and reduce its financial expenditures by approximately 50%. The voluntary liquidation is estimated to complete within the next 30-45 days.

Upon completion of the restructuring, the Company will be better positioned to focus on the North American operations, which entails the manufacturing and sale of its wastewater heat recovery products, focusing investment in sales and marketing activities for the Piranha and Piranha HC units.

The Company intends to continue to market and sell SHARC technology into the UK through the networks and channels developed over the past few years. However, the focus will be to sell SHARC and Piranha units outright without taking on development, construction or installation risk associated with the previous Energy Service Company ("ESCO") model where SHARC owned and operated wastewater heat supply infrastructure and sold heat supply as a utility provider.

"The restructuring of our operations provides increased balance sheet flexibility and supports our ability to execute on our growth strategy," said Lynn Mueller, chairman and chief executive officer at SHARC. "We believe the restructuring provides a better opportunity for our shareholders to realize long term, sustainable value."

The Company would also like to announce the cancellation of 1,570,000 stock options.

### 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](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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### Forward-Looking Statements

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*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.*