



SHARC International Announces Closing of Private Placement of Convertible Debentures

VANCOUVER, British Columbia, Dec. 20, 2019 -- **Sharc International Systems Inc. (CSE: SHRC) (FSE: IWIA) (OTCQB: INTWF) ("SHARC" or "the Company")** is pleased to announce that it closed a non-brokered private placement of debenture (the "**Debenture**") for gross proceeds of \$1,030,000 (the "**Offering**"). Each Debenture consists of \$1,000 principal amount of 8.0% unsecured convertible debentures. The Company will use the net proceeds of the Offering for investment into sales and marketing and general working capital purposes.

The Debentures bear interest from their issue date at 8.0% per annum, payable semi-annually in arrears on June 30 and December 31 in each year and mature on December 20, 2022 (the "**Maturity Date**"). The Debentures are unsecured, and rank pari passu in right of payment of principal and interest with all of 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 December 20, 2020 and prior 5:00 p.m. (Pacific time) on the last business day prior to the Maturity Date at a conversion price of \$0.10 per Common Share (the "**Conversion Price**"). If after December 20, 2020 the closing price of the Common Shares on the Canadian Securities Exchange (the "**CSE**") is \$0.40 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 release, in which case the Debentures shall be converted into Common Shares on the second business day after dissemination of such press release.

In connection with the Offering, the Company paid an eligible finder a cash fee of \$30,000 and issued 30 compensation warrants to such eligible finder (the "**Compensation Warrants**"). Each Compensation Warrant entitles the holder thereof to purchase one Debenture of the Company at an exercise price of \$1,000 for a period of three years following the date of issuance. The Debenture issuable upon exercise of the Compensation Warrants are on the same terms as the Debenture sold under the Offering.

The Debentures and any Common Shares issuable upon conversion or exercise thereof, are subject to a statutory four month and one day hold period until April 21, 2020.

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.

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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Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

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.