



City of Vancouver Neighbourhood Energy Utility Converts SHARC Pilot Program to Lease

VANCOUVER, British Columbia, Feb. 11, 2020 -- **Sharc International Systems Inc. (CSE: SHRC) (FSE: IWIA) (OTCQB: INTWF) ("SHARC" or "the Company")** is pleased to announce that the City of Vancouver has completed its trial of the SHARC Energy sewage filtration system at its False Creek Neighbourhood Energy Utility ("NEU") and has agreed to lease the system for a 12 month period with the option to negotiate an extension.

In 2020, the NEU has intention to begin expansion beyond False Creek and SHARC intends to submit a bid to be selected as the sewage filtration system of choice.

During the trial, the NEU determined that the main advantages of the SHARC™ technology system compared to the original screening system in operation since the beginning of the NEU in 2010 is that it provides superior filtration, consumes no fresh water and requires significantly less maintenance and operational downtime. Furthermore, the original system is an "open" system with direct exposure to sewage while the SHARC system is a closed system and provides efficient filtration with minimal to no odour.

The NEU, with the assistance of a SHARC Energy sewage filtration system, provides low-carbon heat and hot water to buildings in the False Creek area through the recovery of sewage waste heat for baseload and the use of a blend of renewable and conventional natural gas for peak demand. This results in substantial reduction of greenhouse gas (GHG) emissions from the building sector compared with the traditional methods of providing building heating and hot water.

"When we first installed the SHARC™ system into the Neighbourhood Energy Utility in 2016, we were confident that the system would provide superior operational and cost advantages to the NEU in comparison to the original screening system installed in 2010," said Lynn Mueller, CEO of SHARC Energy Systems. "The leasing of the unit validates that the NEU has been satisfied of that."

The NEU customer base has expanded by more than 300% since it first began operation in Southeast False Creek in 2010. In accordance with a Council-approved decision framework for major infrastructure expansions, expansion is now underway to supply low-carbon energy to new developments in parts of Mount Pleasant, Northeast False Creek and the False Creek flats.

The NEU currently operates with a target for 70% of its energy to be supplied from renewable sources. In alignment with the Climate Emergency Response report approved by Council in April 2019, the NEU will be transitioning to 100% renewable energy before 2030. This will allow the NEU to deliver zero emissions energy to all buildings served by the system.

The City is also actively working to support renewable energy initiatives by third party utilities and other public sector authorities, including the conversion of existing fossil fuel-based heating systems to renewables and new low-carbon systems to serve major developments. These systems are a key action under the Greenest City Action Plan and the Renewable City Action Plan.

As per the Vancouver Draft 2020 Budget and Five-Year Financial Plan, one of the NEU priority plans for 2020, which are subject to council approval, is initiating the construction of a 5 megawatt expansion of sewage heat recovery in order to achieve GHG performance targets while serving the growing customer base. It is SHARC's intention to submit a bid to be the selected sewage filtration and screening equipment utilized in this future expansion when the City of Vancouver and NEU open the process in late 2020. For more information with regards to the NEU, please review the NEU section in the [Vancouver 2020 Budget Financial Plan](#).

About SHARC International Systems

SHARC International Systems Inc. is a world leader in wastewater screening and 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.

About NEU

False Creek Neighbourhood Energy Utility provides low-carbon heat and hot water to buildings in the False Creek area through recovery of sewage waste heat for baseload and the use of a blend of renewable and conventional natural gas for peak demand. The utility is financially self-sustaining and recovers its capital financing and operating costs via customer rates. The NEU currently operates with a target for 70% of its energy to be supplied from renewable sources. In alignment with the Climate Emergency Response report approved by Council in April 2019, the NEU will be transitioning to 100% renewable energy before 2030. This will allow the NEU to deliver zero emissions energy to all buildings served by the system.

ON BEHALF OF THE BOARD

"Lynn Mueller"

Chairman and Chief Executive Officer

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