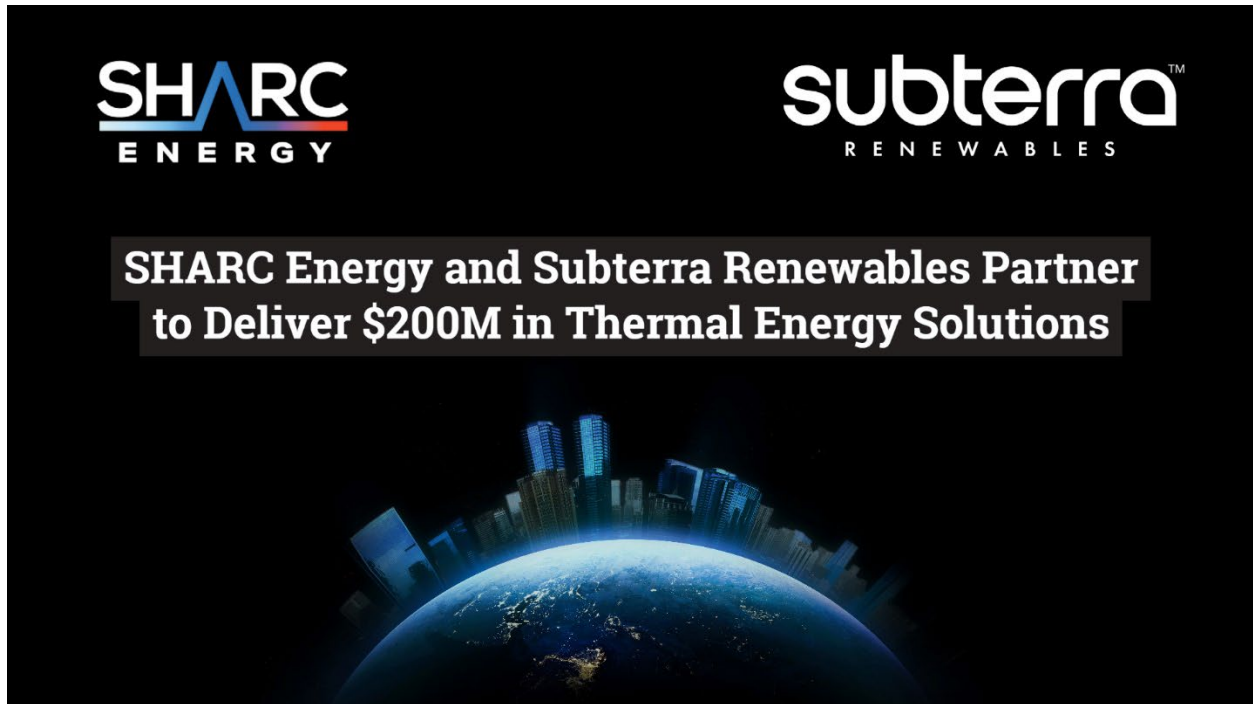




SHARC Energy and Subterra Renewables Partner to Deliver \$200M in Thermal Energy Solutions

Combining Patented Technology with Proprietary Energy-as-a-Service Model Offers North America Market Unrivaled Heating, Cooling and Hot Water Solutions



Vancouver, B.C, Canada (April 27, 2023) – [SHARC International Systems Inc.](#) (CSE: SHRC) (FSE: IWIA) (OTCQB: INTWF) ("**SHARC Energy**" or the "**Company**"), a pioneer in wastewater energy transfer ("**WET**") technology, and [Subterra Capital Partners Inc.](#) ("**Subterra Renewables**"), a leading full-service geothermal drilling provider with a proprietary Energy-as-a-Service ("**EaaS**") model known as [Aura](#)[™], announced today a strategic partnership to revolutionize the renewable thermal energy transfer landscape across North America. By combining SHARC Energy's innovative WET technology with Subterra's geothermal exchange systems ("**Systems**"), the partnership aims to bring unparalleled solutions to the market, capturing a greater share for both companies.

Aura's proprietary EaaS model offers clients sustainable heating, cooling, and domestic hot water solutions, without the upfront capital investment. The model includes a pricing guarantee, ensuring that clients will experience cost savings in comparison to conventional systems while enjoying the benefits of renewable thermal energy over the 25 to 50 year term of their fixed price



service contract. At the end of the term of the contract, ownership of the Systems will revert to the customer.

Under the five-year term of the agreement, SHARC Energy and Subterra Renewables will co-develop up to \$200M of qualified projects that consist of either the acquisition of existing Systems active in the field today or the development of Systems requiring capital to design, build, own, operate and maintain (“**Projects**”). SHARC Energy will be responsible for business development, client engagement and securing letters of intent on a first right of refusal basis while Subterra, with over 25 years of experience and 60+ drills in its fleet, will provide support in project management, engineering, finance, accounting, legal, and asset management, leveraging their expertise in delivering turnkey solutions for heating, cooling, and domestic hot water. Upon completion of the deployment of \$200M or expiration of the term, Subterra will receive a first right of refusal on any similar relationship for one year.

Lucie Andlauer, CEO, Subterra Renewables, states “This partnership signals a definitive moment in the transition to sustainable cities. SHARC and Subterra together represent joint innovation, shared expertise and a mutual resolve to further geothermal exchange across North America’s infrastructure. We have gone from strength to strength. A partnership that combines two unique technologies, to create a single, comprehensive solution.”

This partnership leverages the synergies between SHARC Energy's WET technology and Subterra's geothermal expertise, allowing both companies to capitalize on their unique strengths. Key benefits of this collaboration include:

- Reduced costs for geothermal projects by integrating wastewater energy, resulting in fewer boreholes needed and a smaller project footprint.
- Optimized performance of geothermal loops through wastewater energy's thermal buffering capabilities, stabilizing peak temperatures and enhancing energy efficiency & resiliency.
- Streamlined project execution by combining SHARC Energy's WET technology and Subterra's extensive geothermal experience, ensuring seamless integration of both systems.
- Both partners, although engineer agnostic, leverage [Salas O'Brien](#) for support creating design synergy for the Systems implemented

This collaboration will strengthen SHARC Energy's and Subterra Renewables’ market position, making it a viable solution for developers, investors, and governments seeking to invest in sustainable energy infrastructure. The integration of wastewater and geothermal technologies will create a competitive advantage for both companies, driving market share growth and diversifying revenues for SHARC Energy and its shareholders.



Lynn Mueller, CEO of SHARC Energy, commented, "We are thrilled to join forces with Subterra, a leader in the geothermal space, to create innovative, sustainable energy solutions that will revolutionize the North American market. This partnership not only accelerates our growth but also reinforces our commitment to delivering the most efficient and environmentally friendly heating and cooling systems for our clients."

Although SHARC Energy will not maintain an ownership interest in the Projects, the Company will receive fees on qualified Projects that range from 2.5% to 5.0% of the total acquisition or installed cost of the Systems based on certain milestones ("**Business Development Fee**"). Furthermore, the Company will receive 35% of any net cash flows from Subterra on a development Project, net of debt service payments and operating expenses for a period of five (5) years from beginning of commercial operation of the Systems ("**Waterfall Cash Flows**"). Additional revenue opportunities outside of typical supply and service of WET equipment, such as in relation to project management, will be available to the Company on a mutually agreed basis.

SHARC Energy will continue to distribute its WET products through its representative network while leveraging this network to support the Projects. Also, members of SHARC Energy's representative network will have the ability to offer Aura to their respective customers if they need such a solution. Finally, this partnership does not affect ongoing relationships with EaaS providers utilizing SHARC WET Systems as SHARC Energy will continue to supply and support these providers and projects unencumbered.

In connection with the partnership, the Company will issue 3,773,585 Common Share Purchase Warrants (the "**Warrants**") at \$0.265 that will expire in 5 years upon issuance. The Warrants holder will have the right to exercise the Warrants proportionately in 20% increments as the Company uses the \$200M Capital Commitment. For greater clarity, once the first 20% of \$200M is used, the Warrant holder will have the right to exercise 20% of the outstanding Warrants.

About SHARC Energy

SHARC International Systems Inc. is the world leader in energy transfer with wastewater. SHARC Energy's systems recycle and reject thermal energy from wastewater, generating one of the most energy-efficient and economical systems for heating, cooling and hot water production for commercial, residential, and industrial buildings.

SHARC Energy is publicly traded in Canada ([CSE: SHRC](#)), the United States ([OTCQB: INTWF](#)) and Germany ([Frankfurt: IWIA](#)) and you can find out more on our [SEDAR](#) profile. Learn more about SHARC Energy: [Website](#) | [Investor Page](#) | [LinkedIn](#) | [YouTube](#) | [PIRANHA Series](#) | [SHARC Series](#)



About Subterra Renewables

Subterra Renewables is the most experienced team of geothermal exchange experts with the largest drilling fleet in North America, operating the most energy-efficient and resilient heating and cooling technology in the world. With full vertical integration, Subterra custom designs, engineers and installs a first-of-its-kind geothermal exchange system that aligns with government ESG initiatives, expedites building approvals, and accelerates the path to Net Zero.

Available under Subterra's Energy-as-a-Service model, Aura™ serves all of North America. Green technology for residential, commercial, industrial and governmental buildings, bringing a global audience.

Learn more about Subterra: [Website](#) | [Aura](#) | [Webinar](#) | [Services](#) | [Construction](#)

For partnership inquiries, please contact:

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Issuance of Stock Options and Restricted Stock Units ("RSU")

The Company announces that it has granted 1,930,000 stock options and 2,734,000 RSU to Officers, Directors, Employees and Consultants at an exercise price of \$0.27 with vesting conditions. The stock options will be exercisable for 5 years and the RSU will expire by December 31, 2025.

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 using 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 Energy's actual results could differ materially from those anticipated in this forward-looking information because 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 Energy believes that the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove 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 because of new information, future events or otherwise, except as applicable.