



SHARC Energy Secures \$2 Million Debenture from Sole Subscriber

VANCOUVER, British Columbia, July 09, 2024 -- [SHARC International Systems Inc. \(CSE: SHRC\) \(FSE: IWIA\) \(OTCQB: INTWF\)](#) ("SHARC Energy" or the "Company") is pleased to announce that, further to its [news release dated June 24, 2024](#), the Company has closed a non-brokered private placement of debenture units of the Company ("Debenture Units") at a price of \$1,000 per Debenture Unit, for aggregate gross proceeds of \$2,000,000 (the "Offering"). The Company would like to thank and extend its gratitude to the sole subscriber in this Offering.

"The ability of SHARC Energy's systems to use wastewater as a thermal source for heating & cooling is unparalleled; combine that with water savings and the returns to clients are multiplied. In the green technology space, there is no other company that can reuse waste heat from a 100% consistent source; the possibilities are endless," said Lynn Mueller, President and CEO of SHARC Energy.

Each Debenture Unit will be comprised of: (i) a \$1,000 principal amount of 8.0% unsecured debenture of the Company (the "Debenture"); and (ii) 5,000 common share purchase warrants of the Company (the "Warrants"). Each Warrant will entitle the holder thereof to acquire one common share in the capital of the Company (each, a "Share") at an exercise price of \$0.20 per Share for a period of 36 months from the date of issuance. The Debentures will bear interest from their issue date at 8.0% per annum calculated and payable annually in arrears on December 31 of each year and will mature three (3) years following the closing of the Offering (the "Maturity Date"). The Debentures are unsecured and will rank *pari passu* in right of payment of principal and interest with all future unsecured indebtedness of the Company. The Debenture, including any accrued and unpaid interest, will be repayable in part or in full on any one or more occasions without penalty at any time prior to the Maturity Date at the option of the Company.

The Warrants are subject to a ten percent (10.0%) blocker provision, which restricts the exercise of any underlying Warrants in the event such exercise would result in the securityholder holding ten percent (10.0%) or more of the issued and outstanding Shares at such time.

Mr. Mueller continues, "This financing provides the Company the working capital flexibility required to continue the growth of its pipeline and conversion to purchase orders. SHARC Energy's equipment is best in class, providing exclusive access to the largest reservoir of thermal energy in the world! We thank the sole subscriber for their continued support."

In connection with the Offering, the Company paid to a certain eligible non-arm's length finder: (i) a cash fee of \$160,000 and (ii) issued to such finder, 800,000 compensation warrants of the Company (the "Compensation Warrants"). Each Compensation Warrant entitles the holder thereof to purchase one (1) Share of the Company at an exercise price of \$0.20 for a period of three (3) years following the date of issuance.

The Company intends to use the net proceeds from the Offering for working capital and general corporate purposes supporting the continued growth of its Sales Pipeline¹ and conversion to Sales Order Backlog² (purchase orders)

The Debentures, Warrants and Compensation Warrants will not be listed or posted for trading on any stock exchange. All securities issued in connection with the Offering will be subject to a statutory hold period of four (4) months plus one (1) day from the date of issuance.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States or to any "U.S. Person" (as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act")) of any equity or other securities of the Company. The securities described herein have not been, and will not be, registered under the U.S. Securities Act or under any state securities laws and may not be offered or sold in the United States or to a U.S. Person absent registration under the 1933 Act and applicable state securities laws or an applicable exemption therefrom. Any failure to comply with these restrictions may constitute a violation of U.S. securities laws.

About SHARC Energy

SHARC International Systems Inc. is a world leader in energy transfer with the wastewater we send down the drain every day. SHARC Energy's systems exchange thermal energy with wastewater, generating one of the most energy-efficient and economical systems for heating, cooling & hot water production for commercial, residential and industrial buildings along with thermal energy networks, commonly referred to as "District Energy".

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](#) | [SHARC](#)

ON BEHALF OF THE BOARD

[Lynn Mueller](#)

Chairman and Chief Executive Officer

For investor inquiries, please contact:

[Hanspaul Pannu](#)

Chief Financial & Operating Officer

SHARC Energy

Telephone: (604) 475-7710 ext. 4

Email: hanspaul.pannu@sharcenergy.com

For media inquiries, please contact:

Mike Tanyi

Director of Marketing & IT

SHARC Energy

Telephone: 778-846-5406

Email: mike.tanyi@sharcenergy.com

The Canadian Securities Exchange does not accept responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

Certain statements contained in this news release may constitute forward-looking information (within the meaning of Canadian securities legislation), including, without limitation, the issuance of the Shares upon exercise of the Warrants and the Compensation Warrants and the intended use of proceeds from the Offering. 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 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 because of new information, future events or otherwise, except as required by applicable securities legislation.

¹ Sales Pipeline is a non-IFRS measure. Please see discussion of Alternative Performance Measures and Non-IFRS Measures in the Q1 2024 MD&A.

² Sales Order Backlog is a non-IFRS measure. Please see discussion of Alternative Performance Measures and Non-IFRS Measures in the Q1 2024 MD&A.