

PRESS RELEASE For immediate release

TSXV: HEO Alternext: MNEMO: ALHEO

OTCQX: HEOFF

H₂O Innovation: Utility Partners Won a New Project and Renewed an Existing Contract, totalling \$10.1 M

Quebec City, July 25, 2018 – (TSXV: HEO) – H_2O Innovation Inc. (" H_2O Innovation" or the "Corporation") is proud to announce that Utility Partners, LLC ("UP"), its business line providing operation and maintenance services ("O&M") in the United States, recently won a new O&M project and renewed an expiring contract. These contracts, valued at \$10.1 M, bring the Corporation's O&M business backlog to \$71.3 M.

Utility Partners has won a new municipal contract in the State of Vermont, for a three-year period. This project will consist in the operation and maintenance of a wastewater treatment system of 0.3 MGD capacity (1,136 m³/day).

UP has also renewed an expiring contract for an additional four-year period. The Utility Partners' team will maintain the 5 MGD (18,927 m 3 /day) water treatment plant as well as the 4 MGD (15,142 m 3 /day) wastewater treatment system. The contract also includes the operation and maintenance of the collection and distribution system. "We are proud to be the City's partner and we have enjoyed a true partnership with them since 1997. This lengthy relationship shows the trust and collaborative success we've achieved on both sides", added Bill Douglass, Vice-President of the Operation & Maintenance division of H_2O Innovation and Managing Director of Utility Partners.

About H₂O Innovation

H₂O Innovation designs and provides state-of-the-art, custom-built and integrated water treatment solutions based on membrane filtration technology for municipal, industrial, energy and natural resources end-users. The Corporation's activities rely on three pillars which are i) water and wastewater projects; ii) specialty products and services, including a complete line of specialty chemicals, consumables, specialized products for the water treatment industry as well as control and monitoring systems; and iii) operation and maintenance services for water and wastewater treatment systems. For more information, visit www.h2oinnovation.com.

About Utility Partners

Utility Partners operates, maintains, and repairs water and wastewater treatment plants, distribution equipment and other water utilities for all of its municipal customers. It currently employs 360 employees for the operation of thirty-seven (37) utilities in eight (8) US states, mainly on the US Gulf coast, Southeast, Northeast (New England) and the West Coast. For more information, visit www.utilitypartnersllc.com.

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

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