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## SHARC Energy announces Manufacturer Representative Agreement with California Hydronics Corporation

**Vancouver – (May 5, 2020) – SHARC International Systems Inc. (CSE: SHRC) (FSE: IWIA) (OTCQB: INTWF) and its subsidiary SHARC Energy Systems Inc. ("SHARC" or the "Company")** are pleased to announce it has signed California Hydronics Corporation ("**CHC**") to a Manufacturer's Representative Agreement ("**MRA**") to become a representative ("**Representative**") of SHARC™ products such as the Piranha™, Piranha HC and the SHARC system in Alaska, Washington, Oregon, Idaho, Montana, Northern California (north of San Luis Obispo/Kern/San Bernadino county lines) and Nevada.

CHC serves the mechanical and plumbing trades industry as a manufacturer representative of hydronic heating/cooling, steam, heat transfer, plumbing and HVAC equipment. Based out of Hayward, California, their 45,000 square-foot facility boasts warehouse and office space and a manufacturing and fabrication facility. They have additional 5,000 square-foot facilities in Rocklin and San Jose, California, and Reno, Nevada. Furthermore, CHC has offices in Vancouver, Seattle and Spokane, Washington, which provides access to business in Oregon, Washington and Montana, as well as offices in Boise, Idaho and Anchorage, Alaska. Finally, through its CHC Pacific division, it markets and sells products for overseas projects, concentrating on Guam, Federated States of Micronesia, South Pacific and US military installations in Japan and South Korea. CHC remains committed to providing the highest level of value and expertise to their partners.

SHARC is excited to add a highly qualified, reputable and long-standing Representative to promote and sell its products in key target markets. CHC is dedicated to actively train and seek product knowledge of SHARC technology in their quest to become an expert in waste water heat recovery. Their commitment is evidenced by the six early stage deals in their pipeline involving SHARC products. As the relationship continues, SHARC and CHC will continue to work together to grow SHARC technology in these massive economic and progressively eco-friendly markets along the Pacific Coast of North America.

In July 2019 in Northern California, Berkeley [passed the first natural gas in new buildings ban](#) beginning in 2020. Since then, more than 20 other local governments in California have passed similar measures including West Hollywood, San Jose and Santa Monica. This policy change is evidencing the building electrification movement is growing rapidly in the 5<sup>th</sup> largest economy in the world

When comparing Piranha to alternative electric hot water equipment, Piranha is significantly more efficient due to its high Co-efficiency of Performance ("**COP**") ranging from 300% to 700% depending on a building's installation and source inputs. In other words, for every \$1 of energy input, the Piranha is able to output \$3 to \$7 worth of energy providing for superior efficiency and cost savings compared to electric competitors. In jurisdictions where gas is significantly cheaper than electricity, Piranha and its COP provides for a close to break-even scenario. As policy continues to shift towards electrification, SHARC technology is poised to be a big player in the energy retrofit and new build market.

At the beginning of 2020, Seattle Mayor Jenny Durkan signed an [executive order](#) advancing a Green New Deal for the city. The goals in the Green New Deal mirror those in the city's [climate action plan](#). A key element is to transition municipal buildings away from using fossil fuels. All new and substantially altered city-owned buildings will not be able to use fossil fuels such as natural gas for heating, cooling, cooking or other purposes. The [Sierra Club](#) stated that the Seattle building sector is already responsible for **35%** of the City of Seattle's carbon emissions. It is estimated that 40% of the energy use in multi-family residential buildings is hot water heating that is lost down the drain every day placing Piranha and SHARC systems at the heart of decarbonization efforts and climate action plans across North America and around the world.

“CHC operates in some of the most progressive states within the US when it comes to climate change and adjusting policy to enact rapid change and we are ecstatic to partner with SHARC as the electrification movement continues to ramp up” says Mike Petterson, Vice President of Sales and Marketing of CHC. “We see the potential of SHARC’s product offering and we are happy to secure the ability to market, promote and sell within our territory”

“CHC’s focus on Hydronics makes their team one of our most qualified team of representatives in North America. Our SHARC design team reports it is a pleasure working with professionals that understand our system so well.” says Jodi Guthrie, Director of North American Sales. “The addition of a highly regarded manufacturer representative’s with long history of operations like CHC provides the expertise in the market that SHARC has needed for years. SHARC technology will become the standard in retrofits and new buildings moving forward.”

### **About SHARC International Systems**

SHARC International Systems Inc. is a world leader in thermal heat recovery. SHARC 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](http://www.sharcenergy.com) or under our profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### **About CHC**

CHC was founded in 1957 to serve the mechanical trades industry as a manufacturer representative of hydronic heating equipment, steam components, heat transfer equipment and plumbing accessories. In 1970, The FlowTherm Systems division was formed when CHC expanded into the prefabricated equipment space by developing packaged systems that use many of the manufacturer components CHC represents. FlowTherm Systems provides a pre-engineered, packaged product that overcomes partners unique financial, dimensional and timeline constraints. In 1998, FlowTherm Systems received Underwriter Laboratories (UL) approval status—providing customers the assurance that FlowTherm products are built to rigid specifications and code compliance. FlowTherm Systems has since received IAPMO, NSF/ANSI 61 and approval by the City of Los Angeles.

CHC main California location is in Hayward, California and has more than 45,000 square-foot facility boasting warehouse and office space and a manufacturing and fabrication facility. As they continued to grow, they have added two additional 5,000 square-foot facilities in Rocklin, California, and Reno, Nevada.

Beginning in 2000, the Company began its rapid expansion up the Pacific Coast after acquiring a renowned company in Vancouver, Washington. Columbia Hydronics Company provides access to a large portion of business in Oregon, Washington, Montana, Idaho and Alaska. They have continued to grow and in 2009, CHC Pacific division was formed, which markets and sells products for overseas projects, concentrating on Guam, Federated States of Micronesia, South Pacific, and US military installations in Japan and South Korea.

In 2011, after 53 years of dedication and hard work, CHC employees purchased the company through an employee stock ownership program (ESOP). We are 100 percent employee-owned. The ESOP helps fund retirement, build accountability, and influence productivity and collaboration.

CHC has expanded to over 150 employees and opened their new office in Vancouver, WA. They remain committed to providing the highest level of value and expertise to our partners.

Further information about the Company is available on their website at [www.chchydro.com](http://www.chchydro.com).

## **ON BEHALF OF THE BOARD**

"Lynn Mueller"

Chairman and Chief Executive Officer

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*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. 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.*