

1443 SPITFIRE PLACE | PORT COQUITLAM, BC | V3C 6L4 CANADA

PRESS RELEASE

Not for distribution to U.S. news wire services or dissemination in the United States.

November 30, 2016

CSE: IWS; FRANKFURT: IWI; OTC: INTWF

IWS Announces Private Placement Financing

VANCOUVER, B.C., November 30, 2016 – International Wastewater Systems Inc. (the "Company") (CSE: IWS) (FRANKFURT: IWI) (OTC: INTWF) is pleased to announce a private placement of common shares for gross proceeds of up to \$4,050,000 at a price of \$0.30 per share (the "Placement").

The Placement will be offered in two tranches. The first tranche consists of a non-brokered private placement of up 5,000,000 shares at a price of \$0.30 per share for gross proceeds of up to \$1,500,000 ("Non-Brokered Tranche"). The second tranche consists of a brokered private placement of up to 8,500,000 shares at a price of \$0.30 for gross proceeds of up to \$2,550,000 ("Brokered Tranche"). Investor warrants will not be issued in the Placement.

The Company has engaged Haywood Securities Inc. ("Haywood") to lead the Brokered Tranche on a best efforts basis. A cash commission equal to 7.5% of the gross proceeds of the Brokered Tranche, and broker's warrants equal to 7.5% of the number of shares placed under the Brokered Tranche will be payable to Haywood, along with a work fee of \$15,000. The Company will grant Haywood an option, exercisable in whole or in part to sell up to an additional 15% of the proposed Brokered Tranche. Fees will also be payable in connection with the Non-Brokered Tranche.

All securities distributed pursuant to the Placement will be subject to a statutory hold period of four months and a day from the date of issuance. The Placement will not be offered in the United States. Closing of the Placement is subject to receipt of all necessary regulatory approvals.

The Company intends to use proceeds from the Placement to fulfill its pipeline of projects in Canada, the United States, Scotland, England, Australia and China, and for general corporate purposes.

ON BEHALF OF THE BOARD

"Lynn Mueller"

Lynn Mueller

Chairman and Chief Executive Officer

FOR MORE INFORMATION, PLEASE CONTACT:

Yaron Conforti, CFO and Director

Telephone: (416) 716-8181

Email: yaron.conforti@iws-sharc.com

About International Wastewater Systems Inc.

International Wastewater Systems Inc. is a world leader in thermal heat recovery. IWS systems recycle thermal energy from wastewater, generating the most energy efficient and economical systems for heating, cooling & hot water for commercial, residential and industrial buildings. IWS is publicly traded in Canada (CSE: IWS), the United States (OTC:INTWF) and Germany (Frankfurt: IWI).

The CSE does not accept responsibility for the adequacy or accuracy of this release.

Forward-Looking Information

This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include regulatory actions, market prices, exploitation and exploration successes, and continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by applicable securities laws, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.