



Sharc International Systems, Corporate Profile

CSE: SHRC **FSE: IWIA** **OTCQB: INTWF**

Sharc is a Global leader in Thermal Heat Recovery with offices in North America & Europe, and operations in Asia and Australia. The Founders of Sharc spent almost a decade and millions of dollars in R&D to develop a unique technology and highly efficient heat recovery system. Sharc system captures heat that's literally going down the drain. Sharc's patented system converts the recovered heat in to pure, fresh heat that could cut down your gas/electric bill by up to 30% or more!

The genius of the Sharc system is its proprietary design that seamlessly integrates with all new and existing HVAC systems, therefore, Sharc system can be installed in a brand new building or could be easily retrofitted in older, even historic buildings.

Excellent Design, Sustainable Development



The brand new, state of the art, \$60 million dollar Washington Water & Sewage Authority building in Washington, DC., designed and custom built by two highly acclaimed, globally renowned companies ([SmithGroupJJR](#) of USA and [Skanska](#) of Sweden). The new Building will be LEED Platinum Class A, incorporating every state-of-the-art environmentally sustainable feature used in modern construction. Alternative energy will be supplied by an innovative thermal heat recovery system from Sharc.

The building is slated to open in the next few months, and it will be the most energy efficient, and lowest carbon emitting building in North America. Sharc is honored and tremendously proud for being selected by the extremely sophisticated Washington Water & Sewage Authority and the two highly regarded companies, globally renowned for their futuristic, environment friendly, design and construction. Sharc intends to work with these two great companies in the future along with other industry leaders, private and public organization worldwide.

Leadership

- **SHARC ENERGY PRESIDENT & CEO LYNN MUELLER** served as President of Water Furnace Canada and Water Furnace International in the 1990s

- Water Furnace manufactures and sells geothermal systems for homes

- WFI went from \$0.30 per share to a takeover price of \$30.60 at a \$378 million market cap

- After noticing the tremendous amount of energy in hot water that is wasted and sent down the drain every day, Lynn Mueller **used his 25 years of experience in the heat-exchange industry to cofound SHARC International Systems Inc. with Daryle Anderson**

- Today, the Company has a wholly owned **UK subsidiary,**

SHARC Energy Systems, and a distribution network across **Canada, the United States, U.K., Australia, and China**

Strategic Partners/Customers



Compelling Business Drivers

Uniquely positioned to capitalize on regulation driven demand

REGULATORY COMPLIANCE; E.G.:

- Zero Emission Building Plan 2018, LEED® Gold mandate, Vancouver, BC.
- Energy Efficiency Standards for Residential and Nonresidential Buildings, California, USA.

• Incentives

- Renewable Heat Incentive (RHI), UK.

• Demand for multifamily construction projects

- Population density + rising home prices

• Increasing global demand for energy and water

- World energy consumption will grow by 48% between 2012-2040 (IEO2016)

• Award-winning tech with a typical payback of 4 years, exceeding competing technologies

Business Segments & Revenue Streams

Revenue Mix Provides Strong Base for Consisting Growth

Original Equipment Manufacturer

- Manufacturing margins
- SHARC and PIRANHA Manufactured and Assembled in North America

System Sales & Project Development

- Sales, consulting & service revenue
- SHARC requires quarterly service & maintenance

- PIRANHA requires bi-annual service & maintenance

Energy Sales From Owned Projects

- Long-term recurring revenue from heat purchasing agreements
- Contracts in the U.K. enter a 20- year heat purchasing agreement with SHARC Energy Systems
- Clients will purchase heat from SHARC at discount to gas prices
- Provides immediate paybacks to users with reduced operational costs and no upfront Capital expenditure

Licensing

- Royalties; long-term recurring revenue

Financial Highlights

Revenue guidance of \$20 million from installations over the next two years.

UK

- Strategic alliance with Scottish Water Horizons Ltd., a public water utility owned by the Scottish Government.

- Secured projects for five locations across Scotland for approx.. CAD \$17.3 million in installations.

- Recurring revenue through 20-year heat purchase agreement for five sites.

USA

- Joint Venture in California

- Signed in November 2016; Production expected Q1 2018

Canada

- Working with BC Hydro to implement SHARC systems in educational institutes
- Planning stages for district heating opportunities in Richmond, BC; Ottawa, ON; CHICAGO (US); LA (US).

Australia

- Distribution agreement with Environmental Technology Solutions (ETS).
- Several sites identified for SHARC and PIRANHA systems are in planning stages.

Management

Lynn Mueller - **CEO & Chairman**

Mr. Mueller is the co-founder and Chief Executive Officer of SHARC International Systems Inc. Mr. Mueller has over 25 years of experience in geothermal heat pump sales. He has served as president of WaterFurnace Canada and WaterFurnace International and founded Pacific Geo-Exchange Inc. and Earth Source Energy Inc. Over his career, Mr. Mueller pioneered many innovative approaches to geothermal installation.

David Alexander - CFO

Mr. Alexander's past achievements include his role as the CFO of Arakis Energy Corporation, an international oil and gas development company, where he managed the company's growth from start-ups to over a billion dollars in assets, leading to a listing on the NASDAQ market. Arakis was subsequently sold to Talisman Energy. David was also CFO of Laminco Resources Ltd. (name changed to Zaruma Resources Ltd.), a Vancouver based copper/gold exploration company with properties located near Hermosillo, Mexico. While CFO of Laminco, Mr. Alexander assisted in the raising of over \$20 million.

Russell Burton - COO

A chartered surveyor with a 30-year career in real estate management leading the client-side agenda for several FTSE 100 businesses, Russ's career has focused on managing income growth through asset and corporate acquisition activity, Capex and the progressive delivery of efficiency in the OPEX program. Following a successful 15 years as Director of Property for Enterprise Inns PLC, Russ realized his ambition to start a renewable energy business, supporting property owning clients to recognize the value of their energy consumption as a lever to support investment into renewable energy schemes.

In 2014 Russ met Lynn Mueller and formed the UK operation of SHARC Energy, with the intention of developing a Design, Build, Operate and Finance service that delivered energy savings to clients, whilst retaining long term income and asset ownership opportunities to the company.

Richard Mort - UK FD & Group Head of Finance

Richard is a chartered accountant with a career in the engineering contracting & water utilities sector where he has held several senior financial positions and was heavily involved in the development and delivery of PPP/PFI/DBFO projects in the water, wastewater and renewable energy sectors.

Working with United Utilities Richard held the role of CFO with Sophia Water on a 2-year contract supporting the development of water infrastructure in the Sophia region of Bulgaria.

In 2013, following a period with Grant Thornton & Earthtech, Richard invested into researching the opportunities for Sewage Heat Recovery and was introduced to SHARC through his work with Thermowatt.

As the UK Head of Finance, Richard covers the financial and commercial elements within the business and is responsible for contract development, project financing and the day to day accounting functions.

Board of Directors

Lynn Mueller – CEO & Chairman

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Daryle Anderson - Director

Daryle Anderson is a co-founder of SHARC International Systems Inc. and brings a wealth of expertise to IWS. Mr. Anderson has over 35 years' experience in mechanical contracting and new residential/commercial construction. He has received his certificate of qualification in plumbing, heating, gas and sprinkler systems and is the President and Owner of CIR Mechanical Ltd. located in Burnaby BC, for the past 30 years. Mr. Anderson has vast knowledge of plumbing, heating and district energy systems and related installation solutions.

Mike Harcourt – Director

As former premier of British Columbia 1991-96, Mayor of Vancouver and City Councilor, Mike Harcourt helped British Columbia earn its reputation as one of the most livable, accessible and inclusive places in the world. His focus on conservation and sustainable development – and his resolve to contribute to the transformation of cities and communities has played a significant role in promoting quality of life for those in Canada and abroad.

After stepping down from politics, he was appointed by the Prime Minister to serve as a member of the National Round Table on the Environment and Economy, where he served on the Executive Committee and Chaired the Urban Sustainability Program. He was a federally appointed B.C. Treaty Commissioner and was Chair of the Prime Minister's Advisory Committee for Cities and Communities.

Mike Harcourt is currently Chair of University of British Columbia's Centre for Interactive Research on Sustainability. In addition he is Chairman of Quality Urban Energy Systems for Tomorrow (QUEST). He is also the lead faculty in United Way's Public Policy Institute, member

of Canada's ECOFISCAL Commission, and Chair of the Board of Directors of AGE-WELL a national research and training network of university, industry and public sector partners aimed at helping older Canadians to maintain their independence, health and quality of life. (Received Order of Canada 2012.)

Mark McCooley – Director

Mr. McCooley has been the Chief Executive Officer and Chief Financial Officer of SEI Industries for over 25 years. SEI is a world leader in the design, engineering and manufacturing of products from innovative industrial fabrics. Mr. McCooley has an extensive background in the renewable energy sector and has acted as a senior executive and board member for a number of private and public companies in the areas of sustainable development.

Sashko Despotovski – Director

Sashko Despotovski is an active investor and an investment banker. He is a Canadian national living in the Nordics, with over a decade of international experience in the technology and energy sectors. Sashko has held posts within several funds and hedge funds in the investment banking capacity in US and Canadian markets, as well as on the operational side in the upper management and as a director for a number of companies. Sashko until recently was an M&A Director at one of the Big Four, and currently serves a Special Advisor to the firm, working closely with the members of Global Origination team in CEE, focusing on cross border transactions. His specialties are fundraising and fund dissemination. He serves as an advisor to a number of public and private firms.

