



## Fluence Corporation Limited Wins First SUBRE Contract

*Next-generation submerged technology addresses large new market to upgrade larger centralized municipal wastewater treatment plants;  
Expected to be commercially available by Q2 of 2018*

**October 9, 2017**

**Melbourne, Australia & New York, USA:** Fluence Corporation Limited (ASX: FLC) ("Fluence" or the "Company"), a global leader in water and wastewater treatment solutions, today announced that it has been awarded its first SUBRE contract to upgrade a centralized wastewater treatment plant. The customer, Mayanot Ha-Amakim (MAH), a water utility in Israel, has selected Fluence to upgrade its Mayan Zvi ("MZ") wastewater treatment plant. SUBRE enables compliance with tighter nitrogen discharge rules without using hazardous chemicals and also increases plant capacity. Fluence estimates that several thousand plants globally currently require upgrades, a new market for the company. Full upgrades are estimated to cost an average of US\$4-5 million per plant. SUBRE marks yet another key milestone in the planned development and commercialization of the MABR technology. It leverages all the key benefits of MABR now into a new market segment allowing upgrades of existing wastewater treatment plants of unlimited capacity globally.

The MZ wastewater treatment plant was constructed in 2007 and has 2 treatment lines in parallel designed to treat a daily volume of 6000 cubic meters (m<sup>3</sup>). The upgrade project aims to deploy the SUBRE technology to increase treatment capacity at the MZ plant by 15-20% to a daily volume of 6,900-7,200 m<sup>3</sup>. The upgrade is expected to reduce the treatment cost per unit volume and improve the MZ plant's effluent quality in compliance with local reuse requirements. The total project value is estimated to be US \$450,000 and funding will be supported by the Israel Water Authority.

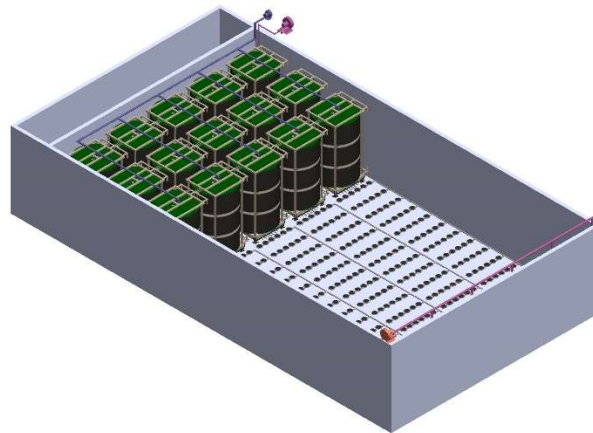
Yehuda Sisso and Uri Shmuel, CEO and Chairman of MHA, respectively, commented, "We are proud to lead the industry as the first utility to adopt Fluence's new MABR technology offering – SUBRE. We are excited about the value proposition of SUBRE, which we anticipate will enable us to expand the treatment capacity of our existing infrastructure, extend the design period of the plant, enhance energy efficiency and reduce our treatment costs."

"We are excited to collaborate with Mayanot Ha-Amakim on this project," said Henry Charrabé, Managing Director and CEO of Fluence. "We estimate that Europe alone potentially constitutes a nearly US\$2 billion market opportunity for SUBRE, with even larger market potential in the USA and China, as regulations regarding total nitrogen content in treated effluent are becoming much stricter. We are already in discussion with some of our China partners regarding SUBRE deployments in China. Therefore, we can

leverage our existing MABR strategic partnerships to accelerate growth, expand our product range in China and other global markets and strengthen our position as a provider of multi-faceted water treatment solutions. The launch of SUBRE demonstrates Fluence's ongoing innovation, which will continue to improve its positioning and maintain its leadership in markets it is addressing."

### SUBRE Technology

Fluence's Chief Technology Officer Ronen Shechter and his team have developed SUBRE as Fluence's "next-generation" MABR technology designed for larger, centralized traditional treatment plants. SUBRE opens up a parallel wastewater treatment market in larger scale and existing municipal wastewater treatment facilities. Today, plants often use methanol to meet tighter nitrogen discharge rules. Methanol is hazardous, toxic, and flammable, potentially making site permitting complex and lengthy. It also presents an additional cost to plant operation. SUBRE avoids all of these barriers while meeting tighter discharge requirements and enhancing plant capacity. Fluence's product development team and production team will focus on the SUBRE production. SUBRE can also be produced at the Company's manufacturing facilities in Changzhou, China.



*Left: First SUBRE unit manufactured by Fluence in December 2016, Right: Design of SUBRE units installed in an existing aeration basin*

The Company is continuing to further refine the SUBRE product offering and enhance its channel-to-market strategies. This new technology is expected to be commercially available to the broader market by the end of second quarter of 2018.

Fluence's China Management team has rapidly established an excellent network of strategic partnerships across China, with geographic coverage of over 70% of China. Many of these partners provide solutions for both centralized and rural, decentralized plants. In addition to its Five-Year Plan to service rural communities, the Chinese government is also prioritizing infrastructure upgrades in cities and large townships, which are anticipated to bring new opportunities for Fluence's SUBRE in China.

### **About Fluence Corporation**

Fluence Corporation's vision is to become a leading global provider of fast-to-deploy decentralized and packaged water and wastewater treatment solutions, already an estimated A\$17 billion market in 2016,

excluding the China rural market opportunity. Fluence has experience operating in over 70 countries worldwide and employs more than 330 highly trained water professionals around the globe. The Company provides local, sustainable treatment and reuse solutions while empowering businesses and communities worldwide to make the most of their water resources.

Fluence offers an integrated range of services across the complete water cycle, from early stage evaluation, through design and delivery to ongoing support and optimization of water related assets. With core operations in North America, South America, the Middle East and Europe, one of Fluence's main focuses will be expanding into the vast market in China for rural wastewater treatment.

For more information please visit our website: <https://www.fluencecorp.com>.

For further information, please contact:

### **Fluence Corporation Limited**

<p><i>USA</i> Henry Charrabé, Managing Director &amp; CEO Email: <a href="mailto:hcharrabe@fluencecorp.com">hcharrabe@fluencecorp.com</a> Telephone: +1 212 572 3766</p>	<p><i>USA</i> Richard Irving, Executive Chairman Email: <a href="mailto:rirving@fluencecorp.com">rirving@fluencecorp.com</a> Telephone: +1 408 382 9790</p>
<p>Gary Dvorchak, CFA, Managing Director The Blueshirt Group Email: <a href="mailto:gary@blueshirtgroup.com">gary@blueshirtgroup.com</a> Telephone: +1 (323) 240-5796 or +86 (138) 1079-1480</p>	<p><i>Australia</i> Ross Kennedy, Company Secretary &amp; Advisor to the Board Email: <a href="mailto:rkennedy@fluencecorp.com">rkennedy@fluencecorp.com</a> T: +61 409 524 442</p>