Press Release **17June 2013**

Bluewater Bio International

("BwB" or the "Company")

Bluewater Bio Wins Prestigious Framework Contract with Anglian Water
tertiary polishing filters address increasingly challenging UK discharge consents

Bluewater Bio International, a leading provider of innovative high-performance, cost-effective water and wastewater treatment technologies, is pleased to announce that their innovative high performance multimedia filtration technology, FilterClear, has been selected by Anglian Water ("Anglian") to be included in their Tertiary Solids Removal Framework. The contract has been awarded for three years, with an option to extend for another seven years.

A FilterClear demonstration plant was operated for four months at Cambridge Sewage Treatment Works (STW). Operational and water quality data was collected to demonstrate the effectiveness of the technology. The performance met the client's expectation and has been considered as a potential alternative to MBR or conventional sand filters where stringent solids performance is required.

In line with the National Environment Programme (NEP) to improve environment and water quality, there is a trend of increasingly demanding consent limits for discharging treated wastewater into water bodies. Under the current AMP5 period (2010 – 2015), Anglian has sites with a Biological Oxygen Demand (BOD) consent below 10 mg/l. Similarly stringent discharge consents are being widely adopted during AMP6, both at Anglian and across the UK.

In the meantime, Ofwat's rigorous approach to price limits dictates that water companies' investment programmes have to select the most cost-effective technologies to achieve ever more stringent consents. Water companies are incentivized to deliver the most sustainable treatment solutions and, in order to achieve the required BOD standards with acceptable CAPEX and OPEX, Anglian Water, through the @one Alliance, are actively evaluating innovative technologies. FilterClear's selection as a tertiary solution follows pilot demonstrations

of competing technologies, with effluent quality and operational parameters closely monitored and compared.

Daniel Ishag, Founder & CEO of Bluewater Bio International commented: “This award, with one of the UK’s largest utility companies, renowned for its robust R&D focus, represents our first framework deal in the UK. To be selected after undergoing such vigorous testing and validation at their Cambridge facility is further testament to the value proposition that we hope to replicate with many other water companies around the world.”

“With stricter discharge consents coming into force, BwB is well placed to capture a significant proportion of Anglian’s tertiary filtration upgrades as a result of both the positive trial and the framework itself. I look forward to working with the Anglian team and their delivery partners to meet these consents.”

Bluewater Bio acquired Glasgow-based FilterClear’s innovative suite of high performance filtration technologies in September 2011, attracted by its key differentiators of class-leading throughput rate and solids retention, high dirt holding capacity and low volume of backwash waste. In addition, the small footprint, minimum civil works, quick on-site installation and minimal operational intervention gives the end user a lower whole life cost over the life of an asset.

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For further information or to arrange a briefing, please contact:

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About Bluewater Bio

Bluewater Bio is an award winning specialist in the cost effective treatment of water and wastewater. It was founded in 2007 to develop HYBACS®, a patented ‘Hybrid Activated Sludge’ process. Following organic and acquisitive growth, our capabilities now include:

- HYBACS®(cost-effective activated sludge upgrade)
- FilterClear™ (high throughput multi-media filtration)

- GHG-Tox (nitrification & greenhouse gas monitoring)
- NeoTech™ (low energy, high reflectivity UV disinfection)
- World class R&D team, based at Cranfield University, UK

The company has a particular emphasis on reducing:

- CAPEX & OPEX
- Energy & chemical consumption
- Physical & environmental footprint
- Greenhouse Gas emissions – operational and embedded

Combining R&D expertise with a highly entrepreneurial business approach, BwB not only develops its own innovations but also scours adjacent markets for complementary IP, licence opportunities and partnerships. Through this aggregation strategy, BwB aims to be the natural choice for cost effective treatment, re-use and monitoring provision across the water, wastewater and process industries.

HYBACS® is rapidly gaining commercial traction among a growing number of companies in Europe, North America, South Africa, Asia and the Middle East, on the basis of its commercial superiority to comparable high performance treatment processes worldwide, across a wide range of treatment requirements. HYBACS® is an innovative nutrient removal wastewater treatment process that was developed from a process originating in South Korea. It is applicable to new as well as existing works, over a wide range of scales, and has been proven commercially in over 25 applications with recent contracts including: the 100,000m^3/day upgrade of the largest wastewater treatment works in Bahrain; and Severn Trent Water's Ashbourne sewage treatment works in the UK, serving a population equivalent of 35,000.

HYBACS® is not only highly applicable to the municipal treatment sector but also to a wide range of high strength organic industrial wastewaters from food or beverage production, to leachate and livestock waste treatment. BwB aims to present customers with solutions which provide benefits in capital and lifetime cost, treatment performance, ease and speed of plant deployment, whilst being easily combined with tertiary filtration for high quality water reuse applications.

FilterClear™ is a pressure multimedia filter technology capable of separating suspended solids from a wide range of waters with a comparatively high performance, even at high loading velocities. FilterClear™ plants are currently installed at over 40 sites, treating waters such as secondary effluent at wastewater treatment plants, cooling waters at industrial sites and seawater at desalination plants. Throughput ranges from 10m^3/hour up to 5,000 m^3/hour.

FilterClear technology competes cost effectively with other multimedia filters, continuous filters, deep bed filters, disc filters and micro screens. It has a strong track record in conventional filtration applications and can replace ultrafiltration membranes upstream of RO membranes.

Current clients include Scottish Water, Northumbrian Water, Diageo, Saudi Aramco, Michelin, Museum of London and several resellers.