



## **WATER WAYS ANNOUNCES THE LAUNCH OF A DISTRIBUTION SUBSIDIARY FOR THE HUGE CHINESE IRRIGATION MARKET**

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IN THE UNITED STATES***

September 18, 2019 – Toronto, Ontario – Water Ways Technologies Inc. (TSXV: WWT) ("**Water Ways**", "**WWT**", or the "**Company**"), is pleased to announce that it has signed a non-binding Letter of Intent (the "**LOI**") with its Chinese agent (the "**Agent**") and its Israeli agent (the "**Additional Holder**") to establish a new distribution subsidiary for the huge and growing Chinese irrigation market.

According to the terms of the non-binding LOI, WWT will together with the Agent and the Additional Holder form a new Chinese subsidiary ("**Subco**") in which WWT will indirectly hold 51% of the equity interest and the Agent and the Additional Holders will together hold a 49% equity interest. Pursuant to the terms of the LOI the Agent, who has been operating in the Chinese irrigation market for many years, will assign to Subco: his exiting clients, existing orders and knowhow and his existing skilled technical team (with the ability to carry out substantial irrigation projects). The Agent will cease to be active in the Chinese irrigation market and will become the CEO of Subco pursuant to an employment agreement containing standard employment and non-competition clauses. The LOI also sets additional payment terms to the Agent and the Additional Holder which will be finalized in the final agreement which is expected to be signed before the end of 2019. Completion of the transaction is subject to customary conditions and the approval of the TSX Venture Exchange.

WWT has been selling irrigation components to the Chinese markets through the agent's channels and project since 2013 with average annual sales of between CAD\$700,000 and CAD\$1,000,000. The Agent's annual sales in China ranged between CAD \$2,500,000 – CAD\$6,000,000.

Ohad Haber, President, CEO and Chairman of the Board of Water Ways, commented: "We have been active in China for several years selling our precise irrigation technology to the Chinese irrigation market. China has many water pollution challenges and with the combination of our Israeli technology and our Agent's knowhow and contacts in China we expect to become a substantial player in delivering smart irrigation technologies to Chinese farmers."

### ***About Water Ways Technologies***

Water Ways is the parent company of IAT which is an Israeli based agriculture technology company that specializes in providing water irrigation solutions to agricultural producers. IAT competes in the global irrigation water systems market with a focus on developing solutions with commercial applications in the micro and precision irrigation segments of the overall market. At present, IAT's main revenue streams are derived from the following business units: (i) Projects Business Unit; and (ii) Component and Equipment Sales Unit. IAT was founded in 2003 by Mr. Ohad Haber with a view of capitalizing on the opportunities presented by micro and smart irrigation, while also making a positive mark on society by making these technologies more widely available, especially in developing markets such as Africa and Latin America. IAT's past projects include vineyards, water reservoirs, fish farms, fresh produce cooling rooms and more, in over 15 countries.

**For more information, please contact**

Ronnie Jaegermann

Director  
+972-54-4202054  
[ronnie@irri-altal.com](mailto:ronnie@irri-altal.com)  
<https://www.water-ways-technologies.com/>

### **Forward-Looking Statements**

Certain statements contained in this press release constitute "forward-looking information" as such term is defined in applicable Canadian securities legislation. The words "may", "would", "could", "should", "potential", "will", "seek", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions as they relate to Water Ways. All statements other than statements of historical fact may be forward-looking information. Such statements reflect Water Ways' current views and intentions with respect to future events, and current information available to Water Ways, and are subject to certain risks, uncertainties and assumptions. Material factors or assumptions were applied in providing forward-looking information. Many factors could cause the actual results, performance or achievements that may be expressed or implied by such forward-looking information to vary from those described herein should one or more of these risks or uncertainties materialize. Should any factor affect Water Ways in an unexpected manner, or should assumptions underlying the forward-looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, Water Ways does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this press release is made as of the date of this press release and Water Ways undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law. Water Ways' results and forward-looking information and calculations may be affected by fluctuations in exchange rates. All figures are in Canadian dollars unless otherwise indicated.

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