



Fluence (ASX: FLC) Wins First C-MABR Contract with Strategic Partner QSY in China
Important first containerised C-MABR smart packaged plant win with QSY is part of a longer term strategic relationship

November 6, 2017

- Fluence and QSY have signed a binding agreement to design, build and operate a commercial fully containerised C-MABR smart packaged plant in Henan Province
- This project is part of a broader cooperation agreement between Fluence and QSY covering three provinces in China
- Fluence’s MABR technology was pre-selected by the local government authority for its ability to consistently meet Class 1A effluent standards, lower operating costs and reduced maintenance requirements
- This is another example of Fluence’s growth in the rural wastewater treatment market in China, representing an estimated US\$2.6B in rural wastewater treatment sales in the three provinces alone covered by QSY, over the next five years and further proof of its Smart Packaged MABR business model for the rural wastewater treatment market in China.

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 executed a binding agreement with Qingshuiyuan Environmental Company (“QSY”) to design, build and operate its first commercial, fully packaged, containerised C-MABR plant with a capacity of 300,000 liters/day. The system is expected to be commissioned by December 2017 in Luoyang City, Henan Province in China.



Pictured from left to right (front row): Mr. Lin Tao, Sales Director, South China, Fluence China, Mr. Wong Jin Yong, General Manager, Fluence China, Mr. Yonghui Liu, General Manager, Qingshuiyuan (Shanghai) Environmental Technology Co., LTD, Mr. Xiao Xie, Vice General Manager, Qingshuiyuan (Shanghai) Environmental Technology Co., LTD



This is an important signing as part of a broader long-term cooperation agreement between Fluence and QSY and follows a Memorandum of Understanding entered into in May this year. The cooperation agreement aims to promote Fluence’s advanced MABR technology and establish a close strategic cooperation relationship with QSY covering the Xinjiang, Henan and Sichuan Provinces, and other areas in China. Both parties are working closely on project site selection and technology optimization.

“We are excited to announce our first Smart Packaged C-MABR project with QSY,” said Henry Charrabé, Managing Director and CEO of Fluence. “This project follows the MoU entered into with QSY in May this year and reinforces our belief that customers in China are increasingly interested in our low-energy, high-efficiency MABR wastewater treatment solutions. This project is part of the long-term cooperation agreement that covers Henan, Xinjiang and Sichuan provinces. It demonstrates that our business model to provide fully designed, Smart Packaged Plants rather than merely the MABR modules alone is well positioned to capitalize on the enormous market opportunity in China, where the total revenue potential for our MABR solutions for the rural market in Henan Province alone is estimated at over US\$1 billion. We appreciate the confidence QSY has placed in Fluence and look forward to securing more projects with QSY and our other strategic partners in China in the future.”

“Qingshuiyuan Group is committed to the development of the whole industry chain in environmental protection,” said Mr. Yonghui Liu, General Manager of QSY (Shanghai). “The cooperation with Fluence aims to develop upscale, smart and lower operating cost wastewater treatment solutions that produce high quality Class 1A effluent for the China rural market. We believe that our cooperation will bring new technologies and ideas to sewage treatment for Chinese towns and villages.”

According to the agreement, Fluence will provide QSY the system design and the smart packaged C-MABR configuration, manufactured at Fluence’s production facility in Changzhou, Jiangsu Province, China. QSY will integrate Fluence’s smart packaged C-MABR into the overall wastewater treatment plant and construct the village collection system.

Fluence’s MABR solution was pre-selected as the technology of choice based on its superior ability to consistently meet class 1A effluent standards and its significantly lower energy and maintenance needs, which results in more than 50% lower operating cost compared to conventional extended aeration technologies and MBR.

About Qingshuiyuan Environmental Company

Qingshuiyuan Environmental Technology Co. Ltd ("QSY") is a wholly owned subsidiary of Henan Qingshuiyuan Technology Co. Ltd. QSY is an integrated company which specializes in environmental engineering investment and operation. The Company focuses on the treatment of urban and rural sewage, industrial water and zero emissions. QSY's business scope covers organic solid waste disposal, oily sludge and other hazardous waste treatment, river restoration, contaminated soil assessment and remediation.



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, a market estimated to grow to US\$22B by 2021¹. Fluence has experience operating in over 70 countries worldwide and employs more than 300 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 the Americas, the Middle East and Europe, one of Fluence's main focuses is 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 about this release, please contact:

Fluence Corporation Limited

<p><i>USA</i> Henry Charrabé, President & CEO Email: hcharrabe@fluencecorp.com Telephone: +1 212 572 3766</p>	<p><i>USA</i> Richard Irving, Executive Chairman Email: rirving@fluencecorp.com Telephone: +1 408 382 9790</p>
<p><i>USA</i> Gary Dvorchak, CFA, Managing Director The Blueshirt Group Email: gary@blueshirtgroup.com Telephone: +1 (323) 240-5796 or +86 (138) 1079-1480</p>	<p><i>Australia</i> Ross Kennedy, Company Secretary & Advisor to the Board Email: rkennedy@fluencecorp.com T: +61 409 524 442</p>
<p><i>Australia</i> Simon Hinsley, Director NWR Communications Email: simon@nwrcommunications.com.au Australia: +61 401 809 653</p>	

¹ Sources: MarketandMarkets Analysis, Global Water Intelligence, company estimates