

Water Intelligence

Appointment of Master Franchi

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Water Intelligence plc (AIM: WATR)

("Water Intelligence" or the "Company")

Appointment of UK Master Franchisee for the roll-out of water leak detection

and remediation services across the UK

Water Intelligence, a leading provider of water monitoring, leak detection and remediation services, announces that its subsidiary, American Leak Detection, Inc., has entered into a master franchise relationship ("Master Franchise") with Tim Sanders, who currently trades as "FindALeak".

Under the new relationship, Mr. Sanders will conduct his business in the future as "Target Leak Detection" (<u>www.targetleakdetection.co.uk</u>). Franchise information may be found at <u>www.targetleakdetectionfranchise.co.uk</u>.

The Master Franchise, covering England, Wales, Scotland and Northern Ireland, enables Water Intelligence to immediately provide water leak detection and remediation services in the UK.

Under the arrangement Water Intelligence anticipates receiving up to £225,000 over five years in initial licensing fees.

In addition to the initial licensing fee, Mr. Sanders will be paying Water Intelligence ongoing royalties from his corporate owned units of 3% on his first annual £500,000 of revenues and 6% above £500,000. He will also pay Water Intelligence between 6% and 20% of the royalties he receives from sub-unit franchisees based on the royalty rate he charges those

franchisees. Mr. Sanders will also pay Water Intelligence 20% of the subunit franchise fees he receives from unit-level franchisee (rising to 35% if Water Intelligence introduces a candidate to him).

Tim Sanders and his current team possess over 40 years' leak detection and remediation experience. They currently service domestic and industrial markets using sophisticated and advanced thermal imaging, correlation, tracer gas, leak detection and other proprietary equipment.

Stan Berenbaum, Chief Executive of Water Intelligence, commented:

"At the time of the reverse takeover of the Company in July 2010, we identified as strategic priorities the growing UK demand for water leak detection product and service solutions. Having recently completed a £177,000 product sale to Thames Water, we are now pleased to have someone of Tim Sander's calibre join our team in order to provide leak detection services across the UK. We look forward to assisting Tim and Target Leak Detection in their growth and development."

Tim Sanders commented:

"I welcome the opportunity to join Water Intelligence as its UK Master Franchisee.

I believe this will provide Target Leak Detection a significantly greater opportunity to leverage its services and allow us to expand more quickly throughout the UK, permitting us to service the domestic, industrial, insurance and water system markets."

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Notes to Editors:

Water Intelligence is a leading provider of water monitoring products and leak detection and remediation services.

Website: www.waterintelligence.co.uk

Previously known as Qonnectis plc, by way of the Reverse Takeover announced on 7 July 2010, the Company, inter alia, acquired American Leak Detection, raised new funds and was re-named Water Intelligence plc.

Established in 1974, American Leak Detection now complements Qonnectis by providing non-invasive water leak detection and remediation services throughout the United States, as well as in Canada, Australia, Spain, Belgium and certain other countries.

Qonnectis continues to sell and maintain water monitoring products and services.

This information is provided by RNS
The company news service from the London Stock Exchange

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