



Successful Deployment of Patented Water Management System

Water Intelligence plc (AIM: WATR.L) (“Water Intelligence” or “Group”), a leading multinational provider of precision, minimally-invasive leak detection and remediation solutions for both potable and non-potable water, is pleased to announce optimal test results from its new technology offering for open channel water conveyance and storm water run-off. The Group’s 2023 year-end trading update released in February had previously indicated that test results from the first commercial deployment were being gathered.

A range of solutions, leveraging the same patented technology will be marketed by the Group’s American Leak Detection subsidiary (ALD) under the brand *ALD Water Management Solutions* and, in particular, for open channel conveyance under the tradename *VersaLiner* to capture its versatility and extraordinary performance.

A Revolutionary Water Management System

Around the world, moving large volumes of water, such as from rivers to farmland, typically involve concrete or earthen channels. These types of channels lose water into the ground but are relatively easy to deploy – a trade-off customers have been willing to make when the price of water was cheap. However, today, climate change and water shortages have altered the equation by significantly raising the cost of water loss *and* the maintenance required as the earth shifts and concrete cracks from degradation over time. Customers now need a solution that *both* moves water efficiently and protects against water loss and reduces maintenance costs of aging infrastructure.

To address the “changed-requirements” equation, ALD’s *VersaLiner* leverages a patented design and high-density polyethylene (HDPE) material to deliver water efficiently with essentially zero losses due to leakage. *VersaLiner* also provides puncture and abrasion resistance, chemical resistance, and consistent top-level performance through repeated freeze and thaw cycles. A mechanical connection between liner sections also allows for a small degree of movement, giving the system outstanding performance with low maintenance. Finally, *VersaLiner* is easy to install with a small crew using only hand tools able to cover more than 500 linear feet per day.

First Deployment and Validated Test Results: Avon, Colorado

In October 2023, ALD personnel worked with Ferguson LLC, the largest distributor of plumbing and water products in the United States, to deploy the *VersaLiner* solution in Avon, Colorado, to rehabilitate the Nottingham-Puder ditch on the Eagle River. Prior to deployment, the ditch did not deliver a government allotted water right of 2 cubic feet per second (CFS) to an agribusiness location. Moreover, beyond the delivery to agribusiness, more water is needed for the town further downstream. ALD’s water management solution was deployed to solve the water rights allotment problem but also to test how much more water could be conveyed to the town without loss and how quickly.

Validated Results: On May 13, 2024, field tests showed outstanding performance of the ALD water management solution. After six months of deployment and through a full seasonal climate cycle, 6.78 CFS of water was diverted from the Eagle River into the Nottingham-Puder lined ditch, and 6.59 CFS of water was delivered to the town at the end of the ditch in less than half an hour, resulting in water retention of

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97.1%. Hence not is the agribusiness now receiving its full water allotment but also the town now has actionable data on how much more water can be diverted from the Eagle River and preserved.

Functionality for a customer may be summarized as follows: *VersaLiner* solves the problem of inadequate water delivery and saves the amount of water that needed to be diverted to satisfy allocation obligations. At the same time, *VersaLiner* decreases future maintenance costs for the Nottingham-Puder Ditch. With its lower installation cost, *VersaLiner* pays for itself by reducing water costs through conservation and reducing required maintenance costs over the life of the product.

VersaLiner responds successfully to the “changed-requirements” equation driven by climate change, providing minimal water loss (97.1% delivery); efficient flow (under 30 minutes for delivery), and low-cost maintenance (HDPE liner).

Ken Suazo, inventor of ALD Water Management Solutions stated: “*VersaLiner* performed above and beyond the design expectations, not only in ease of installation but in the performance in water delivery with efficient flow velocities and flow volumes with no measurable water losses. This open channel flow system will provide a practical, cost-effective solution in open channel flow for water conservation in agricultural applications as well as provide a robust solution for storm water management issues.”

Laura Finch, Product Sales Specialist, Ferguson remarked: “We could not be prouder to have the opportunity to work with ALD Water Management Solutions to support this effort to decrease water loss through value engineering. It is our goal that through collaboration we can continue to provide cost effective solutions to both the community and our clients.”

Dr. Patrick DeSouza, Executive Chairman of Water Intelligence added: “The data speaks for itself. We look forward to working with Ferguson and other leading professionals to deploy a range of ALD Water Management Solutions based on the same patented technology across the United States and around the world as we continue to transform water infrastructure. We are excited by the prospects for our new offering and its contribution to our growth trajectory.”

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