Advanced Hydro Inc. Begins Demonstration at Brackish Groundwater National Desalination Research Facility in Alamogordo, New Mexico – June 17, 2014 –

<u>Advanced Hydro Inc.</u>, a central Texas company specializing in brackish or seawater desalination and waste-water treatment, announced today that it has installed an demonstration system at Brackish Groundwater National Desalination Research Facility in Alamogordo, New Mexico for a demonstration funded by Bureau of Reclamation's Science and Technology Program.

Small, automated, robust desalination systems are important for rural communities who may not have trained desalination plant operators on staff. The Bureau of Reclamation Science and Technology Program has funded an investigation to explore how to make small systems robust and self-adapting to changes in conditions. A number of these systems could be monitored through the internet at a central location by advanced water treatment professionals. Changes in operation could be initiated remotely. When physical intervention is needed trained technicians could be deployed to solve the problem. This system designed and built by Advanced Hydro under a grant from the Office of Naval Research for shipboard water production is a good example of the type of system needed for remote operations. The UF membranes have a patented fouling resistant coating that requires less frequent cleaning, the UF system is designed to accept any manufacturer's membrane modules which can be coated by Advanced Hydro before they are installed, and it is completely automated and can be remotely adjusted for changes in water quality as well as operable from a smart phone. Bureau of Reclamation's testing and investigation will challenge the system with changing water quality to test its capabilities and the robustness of the construction components under normal operation.

Advanced Hydro Inc., (AHI) is a central Texas (Austin, Pflugerville) company that began its operation in 2009 to commercialize a novel antifouling membrane coatings technology from the University of Texas at Austin. After several years of research and development, company has developed several products and currently provides turn-key systems for desalination of brackish groundwater, seawater, municipal wastewater and oil and gas related produced water. AHI utilizes patented technologies from the University of Texas and Northwestern on post-production MF, UF, NF and RO membranes to make them resistant to oil, organic and bio-fouling. In addition to anti-fouling coatings, AHI utilizes (patent pending) a pre-treatment solution for wastewater produced during hydraulic fracturing of gas wells (also known as Fracking). The process is designed to tackle highly variable water source with significant amounts of suspended solids, oil and grease, organics, hardness, and salinity. AHI systems boasts significantly reduced O&M costs, integrated turn-key systems with open-architecture (patent pending), high efficiency, remote operations, mobile platform and antifouling membrane coatings technology.

For further enquiries, please visit our website at http://www.advancedhydro.net or call us at 512-926-1000/1060.