

Darco Commences the Forward Osmosis Pilot Project with Aquaporin A/S

- First on-site piloting of its kind in Southeast Asia
- One step closer to commercialising Aquaporin Inside™ Forward Osmosis Technology
- Technology increases operational efficiency as it consumes less energy and avoids membranes fouling and compression

Singapore – 10 July 2017 – Mainboard-listed Darco Water Technologies Limited (the "Company" or "Darco" or the "Group") refers to the previous announcement made by the Group on 1 April 2016, in relation to, inter alia, the signing of the Memorandum of Understanding (MOU) with Aquaporin Asia Pte. Ltd. (Aquaporin Asia), a Singapore-based subsidiary of Aquaporin A/S (Aquaporin), for joint collaboration under Aquaporin Asia's 3-year forward osmosis project supported by Singapore National Research Foundation (NRF) under its Environment & Water Research Programme and administered by PUB, Singapore's National Water Agency.

Having successfully completed the forward osmosis proof-of-principle study with Aquaporin Asia, Darco now wishes to move forward into a joint piloting project with Aquaporin of low-energy Zero Liquid Discharge (ZLD) systems for industrial wastewater treatment based on the Aquaporin Inside™ Forward Osmosis Technology.

The project is the first on-site piloting of its kind in Southeast Asia for the use of a forward osmosis hybrid water treatment system for industrial wastewater in the semiconductor industry.

Leveraging on the Group's expertise in wastewater treatment systems, the Group will incorporate Aquaporin's Forward Osmosis membranes into the Group's overall system as pilot plant scale test units in application for industrial sectors. Upon completion, the Group will be the first mover in the application of the Forward Osmosis Technology. This technology increases operational efficiency as it consumes less energy and avoids membranes fouling and compression.

Mr. Thomas Christian Beck, Chief Operating Officer of Aquaporin A/S, said, **“We are looking forward to commence the pilot project with Darco Water. Coupled with the strong technological capability and innovative ability of Darco Water in the wastewater treatment systems, we believe that our collaboration will be fruitful.”**

Mr. Thye Kim Meng, CEO of the Group, said, **“We are excited to move forward into piloting with Aquaporin and we are now one step closer to bring the technology to commercialisation. The collaboration is in line with our dedication in being an integrated environmental solutions provider. This project is of great significance to the Group as the Group will be the first to have access to the Forward Osmosis Technology and have pre-knowledge on the operation and application of this new technology.”**

- End -

About Aquaporin A/S

Aquaporin A/S is a global water technology company with headquarter located in Kongens Lyngby, Denmark and subsidiary Aquaporin Asia in Singapore. The Aquaporin Group is dedicated to revolutionizing water purification through the use of industrial biotechnological techniques and thinking.

About Darco Water Technologies Limited

Established in 1999 and listed on SGX in 2002, Darco Water Technologies designs and delivers engineered solutions for water and wastewater systems for industrial and municipal customers. Its core management team has more than 19 years of experience in water treatment for a wide range of industries. Its markets include Mainland China and Southeast Asia.

For more information, please refer to www.darcowater.com

**Issued for and on behalf of Darco Water Technologies Limited
by Financial PR Pte Ltd**

Kamal SAMUEL, kamal@financialpr.com.sg

Yit Sung NGO, yitsung@financialpr.com.sg

Tel: (65) 6438 2990 Fax: (65) 6438 0064