



**Fluence Corporation (ASX: FLC) Announces Achievement of Second Milestone
for Emefcy Ltd Vendors
-Commercialisation of MABR exceeds defined Milestones-**

December 5, 2017

Melbourne, Australia & New York, USA: Fluence Corporation Limited (ASX: FLC) (“Fluence” or the “Company”), a global leader in decentralised water and wastewater treatment solutions, today announced that as previously disclosed under the terms of the Savcor Group Limited (now known as Fluence Corporation Limited) and Emefcy Ltd Share Exchange and Purchase Agreement dated as of 1 October 2015, all but one of the Vendors of Emefcy Ltd (Israel) are entitled to additional shares upon the achievement of defined milestones (“Vendor Shareholders”).

The Company announced on 29 March 2016 the achievement of the First Milestone three months ahead of schedule, through the initial shipment of MABR modules to the first commercial municipal wastewater treatment plant at Ha’Yogev in Israel. As a consequence, an additional 22,500,000 shares were issued to the Vendor Shareholders at that time.

Due in large part to the commercialisation of the MABR technology having exceeded initial expectations, the Second and final Milestone has now been achieved. Accordingly, a further 22,500,000 Fluence shares are proposed to be issued to the Vendor Shareholders within seven days (“Second Milestone Shares”). The Second Milestone Shares will equate to approximately 5% of Fluence’s expanded issued capital of approximately 416 million shares.

The remaining Vendor is True North who, pursuant to the Emefcy Ltd Share Exchange and Purchase Agreement, received cash and a redeemable note instead of Second Milestone Shares on the sale of its interest in Emefcy Ltd. The satisfaction of the Second Milestone results in the remaining US\$1 million face value of True North’s redeemable note being payable on or about 23 June 2018. This sum has previously been brought to account as a liability in the balance sheet.

The achievement of the Second Milestone is a trigger to bring forward the release of 18,481,080 of the previously issued Fluence shares from voluntary escrow. In addition, a total of 46,549,528 Fluence shares issued to the Vendor Shareholders, including a proportion of the First and Second Milestone Shares, and two other entities will continue to be subject to mandatory and voluntary escrow provisions which will expire on 23 December 2017. Details of the escrow arrangements have been published in earlier releases.

We are pleased to advise that a number of key Vendor Shareholders who hold approximately 99 million Fluence shares in aggregate out of total Vendor Shares of 101.4 million shares, have each informed the Company that they intend to voluntarily continue to hold their Fluence shares, or where sales are necessary will do so either off-market or through a designated broker who typically conducts on-market sales where a buyer is identified prior to executing the trade, and until such time as the Company is advised otherwise.

About Fluence Corporation

Fluence Corporation's vision is to become a leading global provider of fast-to-deploy decentralised and packaged water and wastewater treatment solutions, already an estimated A\$17 billion market in 2016, excluding the China rural market opportunity. 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 optimisation of water related assets. With core operations in North America, South America, 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, please contact:

Fluence Corporation Limited

<p><i>USA</i> Henry Charrabé, Managing Director & 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>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>