

**PRESS RELEASE**

**FOR IMMEDIATE PUBLICATION**

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**SOUTH AFRICAN COMPANY SECURES  
US\$ 150 MILLION INVESTMENT FROM GLOBAL EMERGING MARKETS**

*Cape Town, South Africa - South African ingenuity in water supply, backed up by international water know-how and engineering expertise, has successfully made its debut on the world's top centralised digital exchanges. This is set to bring about a more effective and streamlined financing process of water projects world-wide, and this has now caught the eye of an influential international digital investment firm.*

*The South African registered Exchange Trust Settlement Services, through its newly established H2O Securities division, developed the H2O Water Network and the world's first Water Utility Cryptographic Token. The H2O Water Network is an innovative solution that combines finance, infrastructure, and expertise in the deployment and operation of water plants globally. The H2O Water Network modernises financing, deployment and operation of water plants through the use of blockchain technology.*

Following a public offer of H2O Securities's digital water token, fittingly dubbed the H2ON (Water Network) Token, on Binance Smart Chain (BSC) in April this year, it was also successfully listed on Coin Market Cap (CMC) in May 2022.

This paved the way for an investment totaling \$150 million from GEM Digital Limited, a digital asset investment firm based in the Bahamas focusing on actively sources, constructs, and invests in utility tokens that are listed on over 30 CEXs and DEXs around the world.

GEM (Global Emerging Markets) is a \$3.4 billion alternative investment firm with offices in Paris, New York, and the Bahamas. GEM oversees a wide range of developing market investment vehicles and has executed over 525 transactions in seventy-five countries.

Announcing the GEM investment, Exchange Trust founder and CEO Julius Steyn said that after two years of research and development, the company is now ready for business. "We are extremely pleased with GEM's interest and investment in H2O Securities and believe that the partnership will be mutually beneficial for years to come."

The degree of operational control, risk-adjusted return, and liquidity profile of each investment vehicle varies. GEM and its partners have access to small-mid cap management buyouts, private investments in public equities, and select venture investments through the family of funds and investment vehicles.

Steyn was previously involved with partners in several water and desalination related transactions globally including Saudi Arabia, India and USA. Exchange Trust was established in 2013 and through H2O Securities, aims to also list its H2ON Token on centralised digital exchanges in Hong Kong, followed by a Dubai and European digital exchanges in the coming months. Its planned debut Centralized Exchange listing is on 4 July 2022 on the Bitmart Exchange.

“Our initial Decentralized listing provided us with proof of great interest in the concept of a digital H2O Securities token. With an initial listing price of about \$0.75 and a trading volume of \$100 000 it increased to \$5.00 within just a few hours and exceeded \$11.00 less than 24 hours later. During the initial listing stages, it was the fastest growing token globally and peaked at a trading volume of more than \$450,000 in 24 hours. The initial listing was tracked on Coin Market Cap (CMC) and the debut Centralized Exchange listing will also be tracked by CMC”

CMC is the world's most-referenced price-tracking business for crypto assets in the rapidly growing cryptocurrency space. Its aim is to make crypto discoverable and efficient globally by empowering retail users with unbiased, high quality and accurate information for drawing their own informed conclusions.

Of note is that a Centralized Digital Exchange must adhere to local rules, regulations, and procedures, while in the case of a Decentralized Exchange the trading and liquidity management is based on algorithms and artificial intelligence only.

Steyn said that the focus with the H2ON Token is mainly on the financing of water projects internationally and not so much on the technical engineering and construction of such projects. Technical involvement with a project is only to the extent to make sure that a water project meets stringent environmental, social, and governance (ESG), is functional and meet our rating and underwriting standards.

The WHO estimates that currently 30%, more than two billion people, live in severe water scarce circumstances. Based on this and other reports from the UN, the WHO and the World Bank, water is going to affect more than 50% of the world's population by 2030.

As highlighted by the 2016-18 OECD report, the global funding gap for water infrastructure could exceed \$18 trillion by the end of 2030. According to the 2019 World Economic Forum global risk report a water crisis presents a major risk to business and society globally.

H2O Securities' s technology platform was designed in such a way that water projects are evaluated and analysed by a number of international experts and engineers prior to and after connecting the water projects to its H2O Water Network. The first contracts in this regard have already been signed.

Water scarcities are experienced globally with water projects clearly not being provided promptly enough. The financing of these projects is capital intensive, complex and risky, particularly against the backdrop of the current global warming scenario.

The company has developed a digital structure with blockchain technology whereby the world's largest finance houses and banks can finance water projects globally in a more secure and less complex manner. By making use of the H2ON Token and the H2O Water Network, the financing chain is not only shorter but also involves much less risk as the blockchain diversifies exposure over several projects in a project portfolio and removes systemic risk associated with individual management styles.

There are currently numerous water projects world-wide that are ready for development and to be put in operation but lack financing to bring it to fruition. In many cases companies have received a tender for a water project but do not have the capability or skills to put a finance package together. The global water equipment and infrastructure market currently amounts to more than \$500 billion annually and the company aims to secure up to 1% of this market.

What H2O Securities has done, in essence, is to leverage the sale of its H2ON exchange tradable digital token to banks and other institutional investors such as GEM. These H2ON tokens are backed by real world physical water producing plants. The water plants are connected to the H2O Water Network and generate demand for the H2ON token with every liter of water produced, through cryptographically secured immutable smart contracts. H2ON is a digital currency with utility value and can also be used within the H2O Network, by network participants, to pay for services, equipment and other resources and in doing so further enhancing its value.

"Water is the most important commodity on earth, and how we manage it now and in future is crucial for humankind. We believe that through H2O Securities' s digital platform, that combines the strengths of traditional and decentralized finance, as well as the linking of real-world water producing assets with blockchain markets, we can produce more water infrastructure faster and more cost effectively, thereby contributing to a more sustainable future," Steyn said.

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