



Clean Water.
Clean Environment.
Worldwide.

10-K Extension and Upcoming Filings

Kevin Jones, CEO

March 31, 2016

Today the Company filed a notice that the 10-K Annual Report would be filed within the grace period allowed by the regulations. Several factors came into play around subsequent events, specifically the HSVW SPA, and the CAMWATER contract that contributed to the delay. In addition, I was pulled away from the company on an emergency at the end of the month. We anticipate filing the 10-K before the upcoming work and meetings in China scheduled for April 11, 2016.

Usually I would let the filing speak for itself but these are unusual times for the Company. 2015 was an extremely challenging year for the movement of contracts. Through these challenging times, our supporters and investors have been patient, but also challenging us to keep the basic commitments. Filing in the grace period is a disappointment to us in CDNL no matter the cause.

As we go into 2016 we still have many challenges but we are also gaining movement in China, the US, India and Latin America. Funding for services and systems are flowing from our partner in China, and we remain confident on the SPA. We have key meetings coming up on our movement into India and we will be deploying systems in the US in the 2nd and 3rd Quarter of 2016. Panama is slower than anticipated but still moving forward. On the services side of the business, three of our long term US projects are moving into the remediation stage which will have a positive impact on revenue, approximately \$1.2 million, in the 2nd and 3rd Quarter. We have new pending orders from existing and new markets that we will report when closed.

At the same time as the 10-K, we will also be filing amended statements for the 1st and 2nd Quarter of 2015. These are required based on the amendment we filed in December 2015. It will not change the financials reported in the 3rd Quarter 8-K.

Forward-Looking Statements

Certain statements in this presentation constitute forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs but they involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements, such as business and political conditions in the geographic areas in which we sell our products, weather and natural disasters, changing interpretations of generally accepted accounting principles; outcomes of government reviews; inquiries and investigations and related litigation; continued compliance with government

regulations; legislation or regulatory environments, requirements or changes adversely affecting the businesses in which we are engaged.

The information set forth herein should be read in light of such risks. You are urged to consider these factors carefully in evaluating the forward-looking statements herein and are cautioned not to place undue reliance on such forward-looking statements, which are qualified in their entirety by this cautionary statement. The forward-looking statements made herein speak only as of the date of this presentation and the Company undertakes no duty to update any forward-looking statement to conform the statement to actual results or changes in the Company's expectations.

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