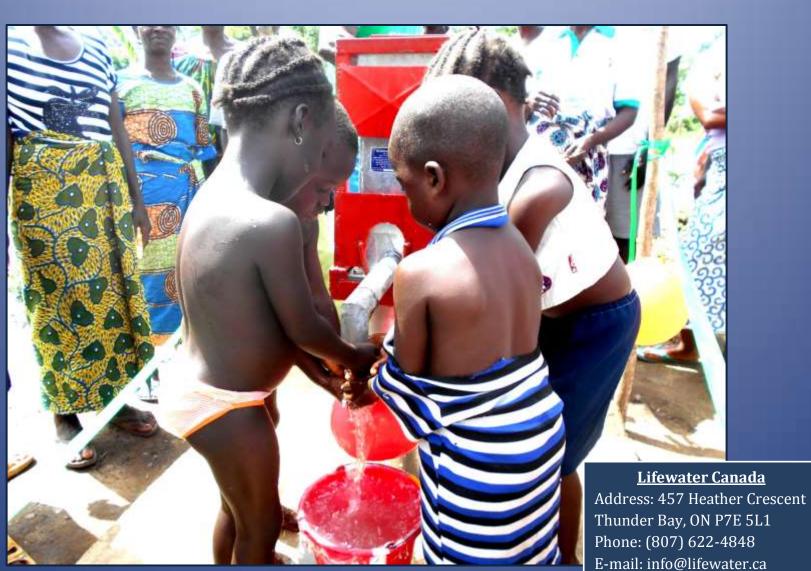


Lifewater Canada

2016 Annual Report



Web Site: www.lifewater.ca



Message from the Chairman of the Board

In the past year, you helped bring health to thousands of children and their families and hope to villages in Haiti and Sub-Saharan Africa. Because of your generosity, safe drinking water was brought to places where children die every day from water-related diseases. Nearby supplies of safe drinking water now flow in many towns. Reduction in the amount of time spent walking long distances for water is directly related to improved cleanliness and increased school attendance for girls.

Knowledge is power; every water system built included hygiene workshops to improve health and help stop the spread of deadly diseases like Ebola and dysentery. Education and knowledge will continue to spread, ensuring that your generosity keeps helping people for years to come.

One of the success stories this year was providing badly needed sanitation facilities for a rural school in Kenya. Teenage girls now can toilet with dignity so that they don't have to stay home during menstruation. Amazing how something as simple as a washroom can break down barriers preventing girls from having the same educational opportunities as boys! Lifewater Volunteers attending the half-day washroom dedication celebration attended by hundreds of community members said, "It was very humbling to see the joy on the faces of so many who have so little but who were so grateful".

Our hearts rejoiced with the Well Drillers in Haiti, who moved into their new operations compound two years ahead of schedule! While there is much still to do, community members now know where to find the workers when they need help fixing pumps or drilling new wells. Thank-you for helping create the long-term local presence that effective sustainable development requires.

In the coming year, we look forward to helping those who now only dream about having safe drinking water. Thank-you for helping make dreams come true.

Alex Campbell, Chairman

Lifewater Canada

Board of Directors

Chairman: Alex Campbell, MSc. Judan Services, Bradford, ON

Vice-Chairman: Peter Brown Owner of Humanwave Radio, Winnipeg, MB

President: Jim Gehrels, P. Geo Hydrogeologist Group Leader, Ontario Government, T. Bay, ON

Secretary/Int' Representative: Cheryl Hertan, MBA, CTR, Certified Tumor Registrar, California, USA

Treasurer: Jason Gehrels, Financial Advisor, World Financial Gp, Ottawa

Financial Controller: Don Heerema, Chartered Accountant, McKevitt Trucking, Thunder Bay, ON

Fundraising Consultant: Jennifer Drost, Retired Teacher, T. Bay, ON

IT Administrator: Stan Roy Network Analyst, City of T. Bay, T. Bay, ON

Development Advisor: James
VanHemert, MCIP, Owner,
VanHemert Planning, Nanaimo, BC



Brief Introduction

Lifewater Canada (Lifewater.ca) has been a registered non-profit Christian charitable organization since 1997:

✓ Legal Name: Lifewater Canada✓ Corporation Number: 344140-7

✓ Business Number: 885420737RR0001

✓ Netherlands AnBi RSIN Number: 8239.79.660

We train and equip local men & women in Haiti & Sub-Saharan Africa to drill wells, build washrooms and conduct basic hygiene workshops.

Just as importantly, Lifewater.ca connects you, the donor, with villages providing tens of thousands of men, women and children with these services each year. You are making a difference!

We exist because over 1 billion people in the world still do not have safe drinking water and over 2 billion people are still without access to basic sanitation.* We are inspired by Jesus to reach out a helping hand to those in need and are committed to provide humanitarian assistance to all people, regardless of religious affiliation, race or political persuasion.

To date, donors like you have together:

- ✓ Drilled over 1000 wells
- ✓ Rebuilt hundreds of out-of-service wells
- ✓ Repaired thousands of broken pumps
- ✓ Built nearly 100 communal washrooms
- ✓ Held countless health & hygiene workshops.





Where We Work

Lifewater actively works in Haiti and Sub-Saharan Nigeria and Kenya).

With the generosity of our donors and the hard work of in-country teams, well production in every project country increased this past year!

Over 100 wells were drilled, almost 700 broken pumps repaired and hundreds of children now have washrooms at their schools!



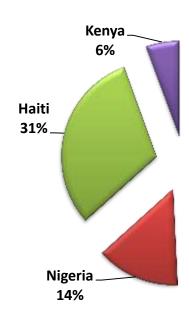


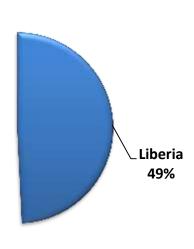
Africa (Liberia,

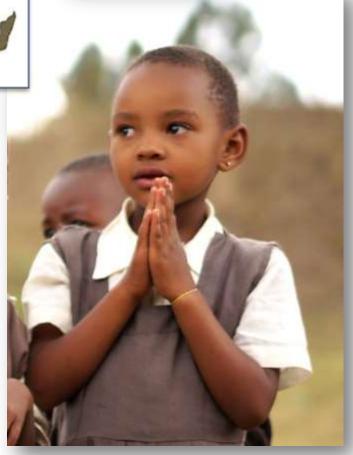
volunteers and

2016 Water Projects

Thank-you for Saving Lives!









<u>Nigeria</u>

Lifewater works with two drill teams in Nigeria. It was with great sadness that we had to stop drilling with both these teams due to lack of sponsors for more projects.

Every well that is drilled is signficant. Open sources of contaminated water are the only source of drinking water for many communities.

Over a million children die every year from running stomach, dysentery, typhoid, cholera and other diseases. Diseases breeding in unsafe water holes like you see in the picture shown here.



Listen to what a difference every well you drill makes: "On behalf of the elders and people of Bassa Gida, we hereby express our appreciation for the effort you made in alleviating the water problems in our two communities. These wells and the water tap kiosk will enhance the general health of the generality of our people.

The recent tragic cholera deaths associated with unsafe drinking water have been attributed to the contaminated sources which we could not find remedies for. May God reward all that have given and continue to support the wellbeing of our people. Once again, please accept our heartfelt appreciation for this labor of love. Well Committee, Bassa Giga"



The Story of Sabon Pegi

Sabon Pegi, with a population of about 700 people is one of the villages near Angwan Yara where we drilled several wells during last year's cholera outbreak.

The government hasn't provided a single borehole in over three years. So when the people of Sabon Pegi heard of the Angwan Yara well, they pleaded for our help.

Their prayers were answered when Lifewater donors provided life-saving water to this village. It is a thing of joy to know that the cholera outbreak has been curtailed.

Working togetehr, over 2,300 people in these villages now have safe drinking water.

Silas, Director of our local drill team, writes: "Our hope is to help other nearby villages address their water shortages. People need to depend more on safe water than on the collection of rain water currently being used.

We've also been asked to help provide a washroom in the future by the people of Sabon Pegi. We are looking at that possibility down the road, and pray that donors step forward to make these dreams come true!"



Liberia

The team in Liberia continues to drill wells for the rural poor. Their well production increased over last year, and they have now provided safe drinking water for a quarter million people – 6% of the nations people!

It was a year of great challenges and renewal. After drilling urgently needed wells throughout last years unprecedented Ebola crisis, the old compressor blew seals, caught fire and was not repairable. Without this compressor, the team's LS350 rig could no longer drill deep wells in communities built on hard rock. It was, therefore, tremendously exciting to get a large compressor shipped from Thunder Bay, ON to Liberia. The rig is now back up and running and cool, safe drinking water is once again flowing in poor villages throughout the country.

Finally, it turns out that the Lifewater compound sits on land endowed to the nearby University half a century ago. The University is now exercising its claim to this land, clearing all current occupants.

Fortunately, Lifewater was recognized as being one of the longest operating NGO's in Liberia, providing safe drinking water since 1997. The University spared the Lifewater compound from demolition and the country's President expressed her appreciation for continued expansion of water projects across the country.





Promised Land

Everyone deams of the promised land, but few have ever seen it. And those who have, don't want to live there!

The town of Promise Land is located in Gbapolu County, Liberia. It was founded after gold was discovered in the area. But the wealth does not flow to the town. Homes are built from mud and bricks. Women work the fields while men and boys slave in the rivers panning gold for a few dolllars per day.

But that has now changed. The Head Woman writes: "We the people of Promise Land community deeply appreciate the drilling of a new well. The lack of safe drinking water compelled us to fetch water from creeks that was also used for latrines, washing dishes and cooking. This situation was life threatening, but with the help of Lifewater, this health hazard has been reversed. You have helped us to fight and win a great battle, by the provision of one of the greatest gifts, water. We will do everything in our power to maintain this valuable treasure.

Thank you very much, for your good job!
Latta V Bemahch "



<u>Kenya</u>

Most people you talk to believe that education is a basic human right that should be available to all people. This year, your efforts in Kenya reminded us how critical a role improved sanitation plays in improviding education.

The Nakuru District government was threatening to close the Kariain Primary School due to its substandard toileting facilities. In addition, girls were staying home because they had no place to toilet when they were menstruating.



With your support, washrooms for girls, boys and teachers were built at the school this year. This prompted the local government to not only keep the school open, but to finance the construction of more classrooms and needed teaching materials. With improved hygiene, absentism, especially among girls, has dropped dramatically.

Your investement is indeed bringing excellent returns with long lasting value! Knowledge is power and a nation cannot rebuild without educating its youth.

Thank you for being an instrument of change and a conduit of knowledge... all through the gift of washrooms!



Principal's Comments

At the official opening of the washrooms, the school Principal shared the following words:

"School parents are poor peasant farmers. So in order to start the school, women hand dug two pit latrines. I remember with sadness how they lowered a ladder down 14 feet. While one woman struggled with the hard ground below, the other one pulled crushed stones out of the hole for her. If one had an infant, that was no excuse for not dropping into the frightening pit. Men could not do it, for the hole could collapse at any moment leaving the family to starve without crops.

As head of the school, my heart skipped beats if an unknown person entered the compound. I was afraid the person might be a public health officer. They are known to order close down of schools whose health standards are below par.

Today I praise God for He has elevated us to the enviable level of having washrooms for boys, girls and staff. I thank the Lifewater workers and benefactors. You have shared not just words, but acts of love. May the Lord remember you at your very hour of need. "



Haiti

The past year was monumental in terms of drilling, pump repair and significant improvements in the team's infrastructure. More wells were drilled and more old wells rebuilt and put back in service than were done last year. And hundreds of broken pumps were repaired, keeping safe drinking water flowing to thousands of people!

Lifewater d'Haiti has always operated out of compounds owned by other groups. This has meant that every few years the team has to move as space becomes crowded or host operations need more room. It is time consuming and expensive to find new facilities, move half a dozen sea containers, drilling supplies and equipment.



It was very exciting for the local team to move into their new operations base this year, two years ahead of schedule! The office is complete, the compound is secured with 10 foot high cement walls, and storage containers, drill rigs, and equipment have been moved. Now villagers will know where to find the team when they need help getting safe water.

Much work still has to be done to finish the multi-purpose building, add a shower/washroom facilities in the work yard, build a watch tower and other projects. In the coming year, work teams will focus on building trusses for an 80' x 35' covered truck parking and work bay. Volunteers are still needed to help work on the compound, especially people with skills like welding, carpentry, electrical, plumbing, brick laying as well as supportive roles such as purchasing, laundry and cooking etc.

Maudieu Limbe

First we say thank you God and to everybody who contribute in this work.

We have many people died with cholera because we use only the water from the river. When its running, we still has cholera.

But now I don't think we will get cholera no more. We now can use water from the well.

Thank you very much!

God bless you!





Partnerships

Your dollar accomplishes more because Lifewater.ca works through local African and Haitian implementing partners, and continues to be powered by volunteers working from home. Because this keeps our overhead under 10%, you accomplish the maximum good for every gift you give. Together we provide much needed safe water and sanitation to those in need.



Special Thanks

- To the numberous Civic Groups, Associations, Churches and Schools who helped make this world a better place by giving children and their families the safe water they need to stay healthy.
- Generous individuals and families from across Canada, the USA and as far away as the Netherlands and Poland who keep the drill rigs working and safe water flowing!
- Volunteers who have given tirelessly of their time and energy to build the capacity of local workers to improve their effectiveness & efficiency.

Supporting Foundations

- Blossom Foundation
- Derick Brenninkmeyer Charitable Foundation
- Fellowship of Man
- The DeBoer Foundation
- The Hoch Foundation
- The Michelle McGowan Memorial Foundation



Implementing Partners

<u>Haiti</u>

- Lifewater d'Haiti (Vaudreuil)
- Empower Global (Vaudreuil)

Kenya

The Lifewater Kenya (Nakuru)

Liberia

- Lifewater Liberia Inc. Fendell
- The Last Well Inc (Margibi)

Nigeria

- Grace Dev. Agency (Lafia)
- Water Products Ltd. (Abuja)

Fundraising & Receipting Partners

- Flowing Streams (Shawnee, KS)
- Link Charity (Toronto, ON)
- The Water Team (Vancouver, BC)
- Water of Life Project (Truro, NS)
- H2O for Life Golf (Barrie, ON)
- Humanwave (Peterborough, ON)

Supporting Corporations

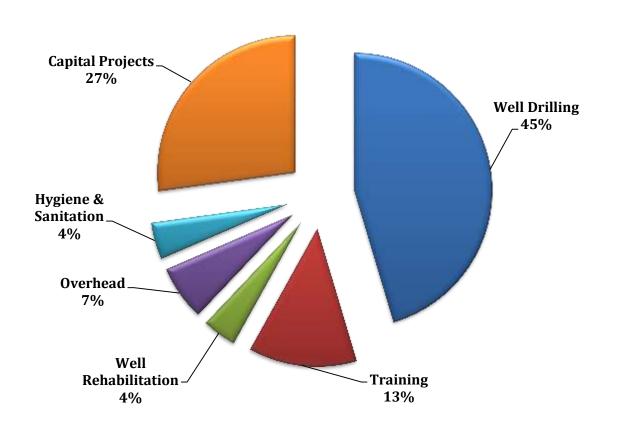
- > Aaron Drilling (De Winton, AB)
- Access Traders (Calgary, AB)
- Automation Now (Thunder Bay, ON)
- Azimuth Environmental (Barrie, ON)
- BC Greenhouse Builders (Surrey, BC)
- Boss Lubricants (Calgary, AB)
- Burger Barn & Prospector (Thunder Bay, ON)
- Charity Auto Sales (Penticton, BC)
- Eastern Dairy Services (Shubenacadie, NS)
- FedEx Express Canada (Mississauga, ON)
- Geo-Environmental Drilling (Halton Hills, ON)
- Halendas Meats (Ajax, ON)
- Herb Lang Well Drilling (Omemee, ON)
- Ingredion Canada Corporation (Mississauga, ON)
- Insitu Contractors Inc (Guelph. ON)

- Jaba Systems Inc (Unionville, ON)
- Joe's Auto Service (Thunder Bay, ON)
- KGS Group (Winnipeg, MB)
- Lifewater Drilling (Bow Island, AB)
- M.F.C. Construction Inc (Caledon, ON)
- Mahon Electric (Thunder Bay, ON)
- Mini-Entrepot Moreau (New Richmond, QC)
- Paddock Drilling (Brandon, MB)
- Perry Medical Corp (Winnipeg, MB)
- Professional Employees Association (Victoria, BC)
- Solinst Canada (Georgetown, ON)
- > TELUS Community Affairs (Vancouver, BC)
- > Thornhill Lawn Equipment (Thornhill, ON)
- > Trade Development Strategies (Inverary, ON)





How Your gifts were Invested in 2016





"For truly, I say to you, whoever gives you a cup of water to drink because you belong to Christ will by no means loose his reward." – Mark 9:41



2016 Income Statement

Revenues	Expenses
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	\$564,838.99	Well Construction (103 Wells)		\$397,179.06
74,402.16		Well Rehabilitation (1	1 Wells)	\$11,857.88
60,051.17		Pump Repair (661Pump Repair)		\$22,973.27
59,558.07		Sanitation Program \$16,990		\$16,990.44
70,827.59		Community Mobilization & Hygiene \$21,0		\$21,015.30
tions	\$225,294.43	Capital Expenses (True	cks, Drill Rigs)	\$237,570.59
32,395.68		Training & Education		\$111,019.90
82,882.05		Overhead		\$56,462.35
07,848.60		- Fund Raising	\$19,537.25	
\$2,168.10		- Admin Expenses	\$36,925.10	
stment	\$321.55	Foreign Exchange Adjustment		-\$2,244.05
	\$790,454.97	Total:		\$872,824.74
	74,402.16 60,051.17 59,558.07 70,827.59 tions 32,395.68 82,882.05 07,848.60 \$2,168.10	74,402.16 60,051.17 59,558.07 70,827.59 tions \$225,294.43 32,395.68 82,882.05 07,848.60 \$2,168.10 stment \$321.55	Well Rehabilitation (1 Pump Repair (661Pum 59,558.07 Sanitation Program Community Mobilizat tions \$225,294.43 Capital Expenses (True 32,395.68 Training & Education Overhead - Fund Raising \$2,168.10 - Admin Expenses Foreign Exchange Adjusted - Foreign Ex	Well Rehabilitation (11 Wells) Pump Repair (661Pump Repair) Sanitation Program Community Mobilization & Hygiene Capital Expenses (Trucks, Drill Rigs) Training & Education Overhead O7,848.60 Fund Raising \$19,537.25 \$2,168.10 Foreign Exchange Adjustment

Revenues Less Expenses: -\$82,369.77



2016 Statement of Financial Position

Assets		2016	2015
Current Operating Accounts		\$10,056.75	\$136,687.27
Reserve Accounts		\$223,590.48	\$213,315.06
Operating Reserve Funds	\$38,455.87		
Capital Reserve Funds	\$153,823.47		
Designated Funds	\$31,311.14		
Total Assets		\$233,647.23	\$350,002.33
Liabilities		\$0.00	\$34,013.43
TOTAL EQUITY		\$233,647.23	\$316,017.00

The Lifewater Canada Strategic Plan includes a long-term goal of building a reserve fund equal to one year's operating budget. This is to allow firm financial commitments can be made to overseas partners at the start of the fiscal year without the risk of having to shut-down drilling operations part-way through the year if fundraising does not meet expectations.

This goal was set because financial commitments to overseas partners need to be made a year in advance prior to funds being raised. This is necessary for them to make staffing decisions and determine how many community water and sanitation projects they can commit to. This timing creates uncertainty and stress for both Lifewater Canada and overseas partners due to economic pressures and global events which are beyond our control but affect fundraising.

The financial reserve also allows for careful management of designated funds and enables Lifewater.ca to assist overseas teams with significant capital expenditures in a timely manner.