



25 June 2008

Attention: Public Announcements Officer
Australian Securities Exchange
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

London Underground (LUL) Signs off MPS Acceptance

Hydrotech is very pleased to announce that it has received formal written acceptance of the use of the Company's Multi Pulse Sequencing system (MPS) technology from London Underground Engineering Directorate. The major significance of this is that until Hydrotech received this final confirmation, the Walthamstow installation was a trial and any other installations would also have been trials, so this acceptance is important as it marks the closure of the evaluation period.

This approval is very significant to Hydrotech as it now allows the Company to not only deal with Metronet, but also TubeLines, who are a major group in the refurbishment of the LUL network of stations.

LUL is renowned for having one of the most stringent engineering environments in the world, and this acceptance will add greatly to the credibility of Hydrotech's MPS technology, and as importantly add significant weight to submissions to other major underground rail networks around the world.

Hydrotech is currently submitting proposals for MPS installations for seven diverse installations (comprising of a variety of underground structures), currently administered by Metronet.

As previously advised, Hydrotech's Managing Director Mr Ian Dallas will be relocating to Europe at the end of June to personally manage this and other European relationships going forward.

An announcement on an underground rail network in China is expected soon.

Phillip Gray
Chairman

Level 40, 108 St Georges Terrace
Perth WA 6000
+61 8 93759796
info@hydro-usl.com