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

Guangzhou Metro Corporation Authorises Pilot MPS System Installation

The Company is pleased to announce that the Guangzhou Metro Corporation (GMC) in Southern China has formally confirmed that it will engage Hydrotech to install a pilot Multi Pulsing Sequence System (MPS) in the Huang Hua Gang underground rail station, which is currently under construction as part of the new metro Line 6.

Line 6, which is scheduled to be completed in 2010, will have a total length of 21.1 kilometres and will include 20 stations, 17 of which will be underground.

The pilot MPS System in the Huang Hua Gang rail station will cover an area of 1,500m² of the underground concrete structure. Upon commissioning of the MPS system, performance monitoring will be undertaken over a 3 month period. The results will be reviewed by a panel of experts convened by GMC, who will then recommend whether to proceed with the installation of the MPS System in the remainder of Huang Hua Gang Station and the other 16 underground stations in Line 6.

This is a significant commission for Hydrotech, as GMC is the company's first client who will proceed with an MPS System in a "new-build" structure, using MPS as a preventative measure rather than as a remedial measure in an existing structure with water ingress problems.

We look forward to providing the market with updates on this project as it progresses.

Phillip Gray
Chairman

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