

15 October, 2009

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

Hydrotech enters into an Agreement with Higgs Builders Limited (New Zealand)

The Company is pleased to announce that its fully owned subsidiary, Hydrotech Asia Limited has entered into an agreement with Higgs Builders Limited (New Zealand), for Hydrotech's MPS System to be installed in the basement of St Georges Hospital Cancer Care Centre in Christchurch, New Zealand. Whilst not of a significant amount, this is a milestone project in that it is the first installation of Hydrotech's MPS System in New Zealand, as well as the first installation in a medical facility.

The purpose-built facility, approved after years of discussions and planning, is nearing completion and will house the latest cancer-related equipment. The Centre will also offer services including research, education programs and psycho-social support for patients and their families. It is the first private radiation therapy clinic in the South Island.

Higgs Builders were appointed by St Georges Hospital as Main Contractor for the project, with Opus New Zealand and Sinclair & Johnson acting as Consultants. Higgs Builders is an established building firm based in Christchurch, and were awarded the contract in October 2008.

The Company continues to work towards securing further signed contracts from submissions made within the jurisdictions of China, Hong Kong, Australia and the UK and is confident that further announcements will be made prior to year end.

For further information on Hydrotech, please view our website at www.hydro-usl.com



Philip Gray
Chairman