

13 August, 2008

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

Resignation of Mr David Ledger

Hydrotech International advised the market earlier today the purchase of 310,000 ordinary shares in the Company by one of its Directors, Mr David Ledger.

Yesterday, Mr Ledger advised that the purchase of these shares was as a result of the remainder of an original order that was placed in April of this year being filled when the share price reached 6 cents per share last Thursday. Mr Ledger was not aware that the order was still open, but consequently the shares were purchased when the order price was reached.

Hydrotech's Corporate Governance Plan provides for a 'closed trading period' for Directors and Officers of the Company until the Preliminary Final Report is lodged on the ASX Public Announcements Platform.

Mr Ledger regrets that the share purchase was made in this period, and understands that this constitutes a breach of Hydrotech's share trading policy. As such, Mr Ledger to his credit has tendered his resignation as a Director which Hydrotech accepts with regret and the understanding that this was an honest mistake on Mr Ledger's part.

Notwithstanding this, Hydrotech International is committed to the highest standard of Corporate Governance, and as such must react appropriately to fundamental breaches of this nature.



Philip Gray
Chairman