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Manager of Company Announcements
Australian Stock Exchange Limited
Level 6, 20 Bridge Street,
SYDNEY NSW 2000

By: eLodgement

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WASTEWATER TRIALS

Optum is pleased to advise that the initial Australian trials of the land-based MEP wastewater treatment and re-cycling system (TerraSan™) have been conducted with considerable success.

The trials were conducted at a Brisbane City Council wastewater treatment plant under the project co-ordination of Brisbane Water. The site treats sewage and wastewater from domestic, commercial and industrial sources.

Raw sewage was utilised in the trial and samples taken from the outlet port of the TerraSan system. The results received from laboratory analysis of those samples are particularly impressive confirming extremely low Suspended Solids and Faecal Coliform counts.

Results show:

- Suspended Solids at less than 5milligrams/litre
- Faecal Coliforms at less than 4cfu/100 millilitre.

To put that into perspective, a typical analysis for Suspended Solids will range from near zero in normal drinking water to between 100-150 milligrams/litre in primary treated wastewater while Faecal Coliform counts derived from Reverse Osmosis/membrane systems are generally in the range 11-20cfu/100 millilitre.

The revolutionary electrolysis-centred TerraSan system was specifically designed for land-based wastewater treatment operations as an adaptation of the marine technology system (MariSan™) developed and commercialised by MEP for the treatment of ballast and all other shipboard waters.

TerraSan was commissioned in Australia as a mobile, compact and adaptable system. It was developed in conjunction with MEP, in the USA, and built by its European alliance partner in Genoa, Italy.

The different components integrated into the system can be utilised for various applications in the design and operation of wastewater treatment plants.

TerraSan has a very low energy requirement (less greenhouse gas emissions per unit volume treated) with minimal maintenance and consumable needs.

After an unexpected shipping delay the initial TerraSan system arrived in Brisbane and was transported to the trial site at the beginning of May.

After calibration and commissioning, a series of trials were commenced to determine TerraSan's ability to effectively and economically provide clear and disinfected water from raw sewage.

Visual inspections, technical results and laboratory analysis received to date confirm that the system has the ability to deliver high quality water to the standard required to conform to the "Class A" quality guidelines set for the re-use of water.

Observations of the water sampled from the system have demonstrated a clarity consistent with domestic tap water, with the elimination of all offensive odours.

Optum's technical advisor and environmental science consultant has further confirmed the significant results and success of the trials.

Trialling and demonstration of the plant will continue at the current site with further calibration and testing. The plant will then move to specific target locations.

Testing for the potential eradication of antibiotics, hormones and other endocrine disrupting chemicals (EDCs) that are individually or collectively present in wastewater will also be conducted under a joint development program with MEP. The Company believes that TerraSan may also provide a unique solution to the reduction or elimination of metabolised and re-activated pharmaceuticals that typically survive other treatment applications and are of increasing concern to scientists.

Optum considers that the results to date have significantly advanced the technical merits of the system and will substantially increase it's market awareness and sales potential.

TerraSan can be successfully used in all facets of wastewater treatment (WWTP) and sewerage treatment (STP) plants. Applications and markets exist through all public water, sewerage and drainage utilities and for all ranges of industries utilising water as a processing, cooling, cleansing or disinfecting medium.

The market for the new generation TerraSan system is enormous in Australia alone, with most current operational systems dependent upon low technology and high capital, consumable, maintenance and energy costs.

Full scale marketing of the system to identified opportunities will commence immediately.

Yours sincerely

Peter Jermyn
Chairman