



ENVIRONMENTAL SOLUTIONS INTERNATIONAL LTD

WEBSITE: www.environ.com.au

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ASX ANNOUNCEMENT

ESI'S MAJOR NEW CONTRACT ADDS TO ALREADY RECORD HIGH ORDER BOOK

Environmental Solutions International Ltd (ESI), in joint venture with Tenix Alliance has been awarded the contract by Bega Valley Shire Council, NSW, for the new Bega Valley Sewerage Project.

Works to be carried out during the Project include the upgrading of sewage treatment plants in Bega, Tathra, Tura Beach, Bermagui and Merimbula, and the construction of new sewerage schemes in Cobargo, Candelo, Wallaga Lake, Wolumla and Kalaru.

Upon completion of the documentation between Council and ESI-Tenix Alliance, work is expected to commence in August 2003.

The contract will see the ESI-Tenix Alliance team design and construct approximately \$58 million in new sewerage infrastructure and take over the operation and maintenance of all existing and new treatment plants for a period of 15 years. The value of the overall contract to the 50/50 joint venture entity, inclusive of operations and maintenance is approximately \$70 million.

ESI Managing Director, Mr Denis Glennon AO, said: "The award of this contract adds to ESI's record high order book for capital works, and the long term operations component at Bega Valley builds upon ESI's existing operations contracts around Australia".

"ESI's forward order book now stands at over \$65 million. The company also has preferred tenderer status on other wastewater treatment projects valued around \$25 million. I am confident we will convert these to new contracts in the near term. As part of the company's planned growth strategy we have recruited a number of experienced project delivery staff and in particular built up resources in our Melbourne office."

"ESI and Tenix Alliance have been collaborating on the Bega Valley Shire Council project for around 2 years. The form of alliance contract agreed for the project will allow Council and ESI-Tenix Alliance to work closely and collaboratively with community stakeholders, to maximise positive outcomes for all parties. The utilities maintenance and construction strengths of Tenix Alliance complement the specialist wastewater treatment knowhow and track record of ESI. Together, we can offer to Council, the best available technology in sewage collection systems, construction techniques and state-of-the-art treatment plants."

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"To maximise input from Bega Valley residents and ratepayers during the approvals and decision-making process ESI-Tenix Alliance are supported by Environmental Resources Management (ERM), to provide specialist services in community consultation and environmental assessment."

"ESI is very cognisant that the upgrades and new works are vital in terms of enabling Council to meet its environmental and public health obligations, as well as growth demands in these popular tourist destinations, over the next decade. The project will also provide new employment and training opportunities for local people. We look forward to a long and mutually beneficial relationship with our partners Tenix Alliance and with Bega Valley Shire Council."

For more information, please contact Mr Denis Glennon on Tel: (08) 9470 4004 or Fax: (08) 9355 0998 or email: lornaf@environ.com.au.