

ASX ANNOUNCEMENT

11 DECEMBER 2006

MAJOR PRESSURE SEWER INFRASTRUCTURE CONTRACT FROM SYDNEY WATER CORPORATION

The Environmental Group Limited (EGL) is pleased to announce that its wholly owned subsidiary, Coriolis Water Services (Australia) Pty Ltd¹ has secured a \$1.5m order to supply its market leading pressure sewer systems to Sydney Water Corporation (SWC).

The EOne pressure sewer systems will be installed on residential properties in the villages of Brooklyn and Dangar Island as part of the NSW State Government's Priority Sewerage Program (PSP). The PSP, which is managed by SWC, aims to reduce the risk to public health from leaking on-site sewerage systems and to improve water quality in local waterways.

The pressure sewer systems will be used in combination with a new membrane bioreactor sewage treatment plant that will serve to significantly enhance the region's already outstanding environmental credentials.

The Coriolis pressure sewer systems were considered ideal for the villages of Brooklyn and Dangar Island because they could be installed with minimum disruption to residents and the natural environment.

Installation of the pressure sewer systems is scheduled to commence in April 2007.

FOR FURTHER INFORMATION: Please contact the undersigned on 02 8858 3499.



MIKE WILLIAMSON
Managing Director and CEO

EGL's EOne low pressure sewer systems provide communities with a cost effective and environmentally superior alternative to traditional gravity and septic tank sewer systems.

¹ EGL acquired Coriolis from Macquarie Bank Limited in April this year.