



ZEOLITE AUSTRALIA LIMITED

A.C.N. 010 550 357

A.B.N 87 010 550 357

Level 3
100 Dorcas Street
SOUTH MELBOURNE VIC 3004

Tel: (03) 9699 4599
Fax: (03) 9699 4522

1st July 2003

Manager Companies
Australian Stock Exchange
20 Bond Street
SYDNEY NSW 2000

Fax 1900 999 279

Dear Sir,

INNOVATIVE SWIMMING POOL FILTER MEDIA PRODUCT PROVIDES SOLUTION FOR INHIBITING ASTHMA HEALTH CONCERNS

The directors of Zeolite Australia Limited (ZEL) are pleased to announce the following:

KEY POINTS

- A study recently undertaken in Belgium, which has received wide publicity in the Australian news media, links chlorinated indoor swimming pool water to significant increases in childhood asthma.
- Researchers say that chlorinated water reacts with organic matter produced by bathers to produce trichloramine, a gassy irritant easily inhaled, which is known to attack lung tissue making it more prone to asthma attack
- Zeolite Australia Ltd's innovative Zelbrite pool filter media product is able to suppress the formation of trichloramine by removing ammonium ions from pool water.
- Zelbrite can therefore provide pool operators with an effective and affordable solution for combating trichloramine related asthma.
- ZEL has initiated a publicity campaign to advise the industry of Zelbrite's special capabilities.

DETAILS

Australian news media have recently given prominent exposure to the findings of a new study in Belgium which links swimming pool chlorine to childhood asthma.

The study found a strong causal link between an alarming increase in asthma attacks and trichloramine, a gassy substance formed when chlorine reacts with organic matter produced by swimmers.

In addition to chlorine, formation of trichloramine requires the presence of free ammonium ions in pool water and these ions are released into pool water as a by-product of biodegradation of organic matter.

ZEL has previously announce both the initial launch of its innovative Zelbrite pool filter media and recognition by the pool industry of its superior filtration capability as evidenced by significant increases in sales of the product.

A key attribute of Zelbrite is its rapacious appetite for absorbing ammonium ions which are held within the 'cage like' molecular structure of the naturally occurring zeolite mineral from which Zelbrite is manufactured. Once absorbed, ammonium ions are effectively rendered unavailable for contact with chlorine in the pool water and potential formation of trichloramine.

An additional key attribute is the ability to 'regenerate' Zelbrite, a simple procedure which results in the ammonium ion absorption process being reversed, with the removed ammonium ions being periodically backwashed to drain. The resultant 'refreshed' Zelbrite is then able to re-commence its vital role of suppressing formation of asthma-inducing trichloramine.

In response to the wide media exposure given to the Belgian study, ZEL has initiated a publicity campaign comprising a broadcast newsletter sent to swim schools and aquatic centres as well as posting a copy of the letter on the Zelbrite web site.

CONCLUSION

By substituting traditional sand filter media with Zelbrite, pool operators have an affordable and cost-effective solution for inhibiting the formation of chemicals that studies link to increases in childhood asthma.

ZEOLITE AUSTRALIA, PROTECTING THE ENVIRONMENT

Yours sincerely,

L. Charuckyj
Executive Director