



To: ASX Announcements

Date: 16 December 2004

Re: Purezza Marketing Inc

IMT has renegotiated its relationship with its US Phoslock licensee, Purezza Marketing Inc.

IMT first licenced Purezza in 2001, receiving a substantial licence fee and shares in Purezza. Those arrangements were modified in July 2004 to recognise the subsequent development of Phoslock granules and pellets and the establishment of IMT's manufacturing capability in China.

The directors of Purezza decided that more direct assistance from IMT was necessary to successfully establish the Phoslock business in the US.

It has therefore been agreed as follows:

- IMT will take board and management control of Purezza.
- IMT will move to 51% equity in Purezza by subscribing for additional shares.
- Purezza will apply for listing of its shares on the OTC Board with the intention of transferring to NASDAQ as soon as the relevant criteria are met. This will not be for the purpose of raising funds but to provide liquidity for the minority shareholders.

Taking control of Purezza will allow IMT to immediately drive the business by:

- Completing the project to be funded by the US Department of Agriculture.
- Undertaking the treatment of the waste ponds at a large dairy farm and a piggery in order to reduce the phosphorus loads in the discharge to the environment.
- Treating the holding ponds at two catfish farms to prevent the growth of blue-green algae during the catfish growing cycle. The existence of blue-green algae affects mortality and growth rates.
- Securing a contract with a US based wastewater treatment company to incorporate Phoslock into a number of its products. The products include open lagoon liners and processes for removing phosphorus from waste streams.

- Marketing to industries such as sugar, abattoirs, chicken, citrus and tobacco to reduce their phosphorus discharge.

This transaction returns control to IMT of one of the potentially largest and most valuable markets. IMT has been undertaking considerable marketing activity in the US in the last few months and sales early in 2005 are expected.

For further details, please contact Brett Crowley, CEO, on 02 96980622.