



United Envirotech Ltd

(Company Registration Number: 200306466G)

United Envirotech Ltd Secured RMB 72-Million MBR plant at Dafeng City, Jiangsu Province China

United Envirotech Ltd (UEL) has been awarded a RMB 72 million contract to modify, build and operate a 15,000 m³/day membrane based industrial wastewater treatment facility in Dafeng City, Jiangsu Province, China. The BOT project has a concessionary period of 30 years and it will be undertaken by a project company, which UEL will own 50%. Unlike municipal wastewater, the treatment fee tariff for such industrial wastewater is more than RMB5.50/m³ depending on the complexity of the wastewater.

Phase 1 of the project pertained to the upgrading and conversion of the existing 15,000 m³/day wastewater treatment plant to UEL's advanced Membrane Bioreactor (MBR) system. Upon the successful completion of Phase 1 in first quarter of 2009, the Company is expected to construct a 25,000 m³/day wastewater treatment plant using MBR technology.

The existing treatment plant started operation in 2006. However, the highly contaminated wastewater generated by the fertilizer manufacturing, pharmaceutical, paper and pulp industrial plants located in the park posed great challenges to the wastewater treatment facility which was based on conventional treatment technology. Despite incurring very high operating cost, the plant struggled to meet the discharge limits. After extensive pilot testing, UEL's MBR technology has emerged as the workable solution to treat the highly contaminated wastewater.

UEL's MBR technology has been implemented successfully in other industrial parks, such as the Taixin Industrial Park, Huizhou Daya Bay Petrochemical Hub and Guangzhou Nansha Chemical Industrial Park.

Commenting on the contract, Dr Lin Yucheng, Chairman and Chief Executive Officer of UEL said, "Industrial wastewater displays much more complex characteristics compared to municipal wastewater. We believe that our MBR system will be the solution for treating such highly contaminated industrial wastewater. Our experience with MBR technology and industrial wastewater treatment allow us to develop very customized and cost effective solutions for our clients. This project further consolidates our leadership position in industrial MBR."

The project will be targeted to complete by first quarter of 2009. It will be funded using our proceeds from our last share placement. It is expected to contribute positively to our revenue.

About United Envirotech Ltd

Mainboard-listed United Envirotech Ltd., specializing in water treatment and reclamation using advanced membrane technology, provides environmental engineering solutions to a wide range of customers in the chemical, petrochemical, pharmaceutical, and wastewater treatment industries.

The Group's track record includes building what it believes to be the largest "Newater" plant in the PRC that uses its Continuous Membrane Filtration ("CMF") and Reverse Osmosis ("RO") technology, as well as what it believes to be one of the largest industrial wastewater treatment plant in Asia, in terms of treatment capacity, using its Membrane Bioreactor ("MBR") technology.

Through the years, United Envirotech has established strong working relations with their customers, which enables them to secure future contracts or referrals to new customers. Some of United Envirotech's major customers includes China Petrochemical Corporation ("Sinopec"), China National Petroleum Corporation ("CNPC"), China National Offshore Oil Corporation ("CNOOC") and Singapore Sembcorp.

About Our Technologies

Membrane Bioreactor ("MBR") is a wastewater treatment technology which combines membrane separation and biological wastewater treatment. MBR revolutionised the traditional biological treatment process, drastically shortens the time and reduces the space for the treatment process. MBR is also more resilient to the sudden increase in contaminant concentration and variances in wastewater quality, hence delivering reliable and good treatment performance.

Continuous Membrane Filtration ("CMF"), is a water treatment technology that utilises microfiltration process to achieve removal of submicron contaminants in water.

Reverse Osmosis ("RO") is a process that reverses (by application of pressure) the flow of water in the natural process of osmosis so that it passes from the more concentrated to the more diluted solution.