ASX ANNOUNCEMENT

5th July , 2004

EGL WINS ORDER FOR SANDGATE

The Environmental Group Limited (EGL) will supply a system to destroy odours from a wastewater treatment plant at Brisbane Water's Sandgate Waste Water Treatment Plant . The order will be worth about \$700,000 and be completed by January 2005.

EGL's system will use a proprietary technology. This will be EGL's eleventh sale of this technology and makes it far and away the major provider in the market of proprietary systems for odour control. These have gained acceptance as "best practice" in odour control technology for major sewage treatment plants.

This order provides a flying start to the year for the Gas and Vapour Division coming on the back of a number of recent successes. Other significant orders are anticipated in the 3rd quarter of the calendar year.

For further information, please contact Mr. Howard Johnson on (02) 8858 3499.

Howard Johnson Managing Director and CEO

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