ASX ANNOUNCEMENT

28th August, 2003

EGL WINS SIGNIFICANT PRESSURE SEWER CONTRACT

Environmental Group (Operations) Pty Ltd, the operating company of The Environmental Group Limited (EGL) has won an order from the NSW Department of Commerce to design, supply, install and commission a pressure sewer system for New Brighton , near Byron Bay .

The pressure sewer system based on the EOne technology is intended to provide sewerage service for approximately 200 residential lots in New Brighton and Billinudgel. The new system will replace aging septic systems in this environmentally sensitive coastal dune area north of the Brunswick River.

Contract value is in the order of \$2.5 million.

The New Brighton project is jointly funded by Byron Shire Council and the NSW Government through its Country Towns Water Supply and Sewerage Program.

This is the fifth major order won by EGL in the emerging pressure sewer market over the last 12 months .

As well as providing significant opportunities in the immediate region our success with this project will assist in introducing this technology to the adjacent Gold Coast region of Queensland . Rapid population growth in these two regions and environmentally astute communities will create very strong demand for pressure sewer systems in the near future .

EGL is currently in the process of rolling out the Eone pressure sewer products and supporting services into the Queensland market following a highly successful market launch in June.

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

Howard Johnson Managing Director and CEO

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