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To: ASX Announcements
Date: 23 November, 2004
Re: Licencing of Phoslock Pellets

IMT is pleased to announce that it has received a licence to manufacture and sell a pelletized form of Phoslock from Kurita Water Industries Ltd, Japan's largest water treatment company. The pellets have been developed by Kurita with the cooperation of IMT. As advised previously, work to develop the pellets has been underway since the beginning of 2002.

The pellets offer many advantages and their development represents a major breakthrough in sustainable water use. While existing Phoslock technology is most suited for natural water systems, the new Phoslock pellets remain intact when placed in water and are suitable for use in a range of filtration and in-line treatment systems. The re-use systems that can be implemented with this technology present a new option for sustainable water re-use and recovery of phosphorus.

Applications identified by IMT include the use of the pellets as a filtration media in home aquaria and ornamental ponds, water storage systems in nurseries and other irrigators, farm dams, small scale treatment systems at hotels, eco-resorts and small rural communities, aquaculture ponds, golf course lakes and artificial wetlands.

Under the terms of the licence agreement, IMT holds the exclusive rights to manufacture and sell pellets in all of the above markets worldwide, with the exception of Japan where manufacturing and marketing rights are retained by Kurita.

The pellets offer major environmental advantages as they do not produce sludge and can be regenerated. These two features can be expected to open up opportunities for the use of Phoslock within the international municipal and industrial wastewater treatment markets where sludge disposal is a major problem.

Under the licence agreement, Kurita retains the right to sell the pellets within the municipal and industrial wastewater treatment markets as these markets form the focus of the company's activities.

All Phoslock used in the pellets will be produced at IMT's factory in China and options in relation to the manufacture of the pellets are currently being investigated.

About Kurita

Kurita is a public company whose shares are listed on the First Section of the Tokyo Stock Exchange. In the fiscal year ended in March 2004, the Kurita Group reported net sales of approximately ¥146.8 billion (A\$1.83 billion). In Japan, Kurita is the dominant water treatment company boasting a 30-60% share in most of the major markets. Internationally, Kurita is recognised as one of the world's premier water treatment companies due to its cutting-edge technologies and network of international subsidiary and affiliate companies covering Asia, Europe and North and South America.

For further details, please contact Brett Crowley, CEO, on 02 9698 0622.