



30 January 2018

Modern Water plc
("Modern Water" or "the Group")

H.M. Government of Gibraltar awards an Advance Works Contract for its Wastewater Treatment Plant

Modern Water plc (AIM:MWG), the owner of leading technologies for water and wastewater treatment and for the monitoring of water quality, is pleased to announce significant progress on the Wastewater Treatment Project in Gibraltar, first announced on 6 October 2014.

H.M Government of Gibraltar has today awarded an Advance Works Contract to the joint venture (the "Joint Venture") between Modern Water and NWG Commercial Services Limited ("Northumbrian Water"), which covers the design and survey work required for final planning and environmental approvals as well as preliminary site works.

These are the final steps before work can commence on the overall project, which is for the design, build and operation of a wastewater treatment plant, capable of treating urban wastewater as well as storm flows for the entire population of Gibraltar.

As previously announced, following a formal tender process, the Joint Venture was appointed preferred bidder for the project in October 2014. Modern Water is responsible for the design and build portion of the contract, which has an aggregate tender value to Modern Water of approximately £22 million. On completion, Northumbrian Water will be responsible for the operation and maintenance of the plant for 20 years.

Simon Humphrey, Modern Water's CEO, said: "We are delighted to announce such a significant step towards delivering this important project for the people of Gibraltar. Together with our partners at Northumbrian Water, we now look forward to working closely with the Government of Gibraltar to finalise the main Design, Build and Operate contract."

Commenting on the project, The Hon Prof. John Cortes - Minister for Education, Heritage, the Environment, Energy and Climate Change, said: "I am delighted to be able to announce this important step forward for this vital project, which honours the commitment made by this government. On a personal note, as an environmentalist, I take huge pride in being a part of leading the further development of Gibraltar's environmental credentials and the delivery of Gibraltar's wastewater treatment works."

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Notes to editors:

Modern Water owns, installs and operates advanced membrane systems using its world-leading membrane technologies; and develops and supplies advanced systems for water monitoring. Its shares trade on the Alternative Investment Market of the London Stock Exchange.

www.modernwater.com