



MODERNWATER

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

MODERN WATER SUBSIDIARY CYMTOX DELIVERS FIRST REVENUE

Modern Water plc (LSE: MWG), the owner of leading water technologies, is pleased to announce that its 76%-owned subsidiary, Cymtox Ltd ("Cymtox"), has received its first revenue from sales of water toxicity monitoring units in China.

First revenues have been received for the Cymtox CTM™ Continuous Toxicity Monitor, which is to be deployed within the environmental protection sector. The Cymtox CTM™ test uses bacteria to monitor water and wastewater supplies for early signs of unwanted toxins, including metals, solvents, petrochemical compounds, pesticides and herbicides. The test is carried out on a real-time and continuous basis, a major advance over the current state of the art technology that takes 30 minutes per test.

Applications for the Cymtox CTM™ are wide-ranging. It can be used to monitor public and industrial water supplies, wastewater discharges from all areas of industry, to control wastewater recycling processes, and in the screening of chemical and pharmaceutical products. Water supplies to high security buildings and sites at risk of deliberate contamination can be protected with this technology. The product operates automatically and is suitable for use in remote locations, providing a convenient and cost effective solution.

Cymtox has appointed Applitek NV, a leading water instrumentation supplier, to manufacture and supply the Cymtox CTM™ units under a world-wide non-exclusive license agreement.

These initial sales represent a key milestone for Cymtox in China, where rapid urbanisation, rising industrial output and pressure to reduce pollution are fuelling demand for clean water supplies, making the country a core market. The Cymtox CTM™ was developed based on academic research at Cardiff University and has been within

Modern Water's portfolio since 2006. It is an important technology within Modern Water's suite of products that is aimed at delivering clean water supplies, while benefiting the environment.

Neil McDougall, Executive Chairman of Modern Water plc, said:

"Receipt of first commercial revenues marks a proud moment for both Cymtox and Modern Water. The Cymtox team, led by CEO Nicki Randles, has done a fantastic job in commercialising the technology and particularly in winning orders for China, the world's fastest-growing major economy. I would also like to thank Cardiff University for their commitment and dedication in supporting this development. With its key benefits of safeguarding water supplies and detecting water-borne pollution, the Cymtox CTM™ is an important and complementary part of our portfolio. We look forward to working with the Cymtox team to develop the market, bringing continued success and further sales to Cymtox and Modern Water."

Professor Ken Woodhouse, Pro Vice-Chancellor, Engagement at Cardiff University, said:

"This achievement proves that close collaboration between the university and the private sector can lead to technology being taken from the lab to the market in a very short time. We are dedicated to commercially relevant research and this, along with the diligence of the Cymtox team, has ultimately proven extremely beneficial to both parties. We look forward to achieving future successes and thank Modern Water for their support and drive throughout the whole project".

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For further information:

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KBC Peel Hunt Ltd

About Modern Water

Modern Water plc is an advanced water technology company, headquartered in the UK and listed on the AIM market of the London Stock Exchange. Modern Water owns and is developing a portfolio of water technologies that help to address the global problems of fresh water availability and the treatment and disposal of wastewater.

About Cymtox Ltd

Cymtox Limited owns the Continuous Toxicity Monitoring (CTM™) technology, the only online water toxicity monitor available on the market. It achieves real-time results by constantly monitoring for the presence of water-borne toxins and immediately warning of suspicious changes. Applications for this technology include drinking water intake and distribution, water supplies to high security installations, and monitoring of industrial discharges. For a fact sheet on the technology, please contact Modern Water.