



MODERNWATER

PRESS RELEASE
9th December 2011

**MODERN WATER ACQUIRES SDIX WATER QUALITY BUSINESS,
INCLUDING MICROTOX**

Modern Water plc, a provider of leading water technologies focused on addressing the scarcity of fresh water, the treatment of wastewater, and monitoring of water quality announces today the completion of its acquisition of Strategic Diagnostics Inc's (SDIX) Water Quality division (the "Division"), including its Microtox® toxicity testing technology.

The Division is a global provider of products and services to determine toxicity and detect contaminants in water and soil. Its two main product groups are toxicity detection using bioluminescence (Microtox), and industrial bio-detection of substances including pesticides, herbicides and PCBs and other environmental contaminants under the trade names of RaPID Assay, EnSys and EnviroGard.

The Division's Microtox® rapid-toxicity detection platform is a leader in rapid toxicity detection in drinking water and wastewater. Its contaminant detection technologies allow customers to rapidly, cost-effectively and accurately identify the presence of hazardous chemicals, including those from the USEPA Priority Pollutants List, and other contaminants that can compromise human or environmental health and safety. The Division's monitoring systems are sold to industrial and environmental customers and are trusted by government agencies and researchers around the world.

With this acquisition, Modern Water has established Modern Water Inc. (MWI) as a base for its business operations in the Americas. MWI represents another strategic step for Modern Water's existing MW Monitoring business, which includes the Cymtox continuous toxicity monitor and the Cogent portfolio of advanced trace metal analysers. This acquisition further reinforces Modern Water's commitment to offering world-leading technologies to the water quality monitoring industry.

Simon Humphrey, Chief Executive of Modern Water, said "We are delighted to announce the acquisition of the water quality division of SDIX, and in particular Microtox, the leading worldwide brand in water toxicity monitoring. There are clear synergies between our existing portfolios of water and environmental monitoring products, as Cymtox and Microtox use the same platform bioluminescent technology for water toxicity monitoring. Our combined expertise in bioluminescence provides a solid base for future product development. Microtox and environmental monitoring product sales will benefit from the distribution channels Cogent and Cymtox have established in China and Asia, whilst sales of our existing products will be enhanced by the strength of the sales team and distribution partners we are acquiring in the EU, US, Canada and the rest of the Americas."

Further information is available at www.modernwater.com.

If you would like to discuss a specific project or require a quote associated with the newly acquired products please contact:

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For further information:

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Modern Water plc

Sales enquiries

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Notes to editors

About Modern Water (www.modernwater.com)

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

Modern Water's patented forward osmosis technology has been proven to significantly reduce costs, lower energy consumption and lessen environmental impact in a variety of industries. With a sales presence in over 20 countries, the Group's Monitoring Division includes the world's best performing real-time continuous toxicity monitor and trace metal analysers for monitoring the quality of drinking water.