



Float Watch

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Recycled food packaging used to stave off drought

Company: Aqua Guardian

Proposed ASX code: AQU

Proposed listing date: July 31, 2008

Shares on offer: 18,750,000

Issue price: 20c

Recommendation: None

DROUGHT problems may well be a thing of the past.

“Thanks to an innovative product that Aqua Guardian has secured exclusive rights to, it could well shake up not just Australia’s drought crisis but also other water-related problems throughout the world,” says wise-owl.com analyst Imran Valibhoy.

Aqua Guardian is a water-conservation company that aims to manage and protect water resources.

The water industry in Australia has an annual turnover of \$8 billion, and maintaining reliable supplies of water is becoming ever more important especially for urban use and the agricultural, hydro electricity and mining industries.

“Severe drought problems and forecast growth in water usage has highlighted the need to preserve water resources, find new sources of water and more efficiently use this water,” Valibhoy says.

Aqua Guardian has secured exclusive rights to AquaArmour from the inventors, Water Innovations Pty Ltd, to manufacture and market the product.

The purpose of AquaArmour will be to provide substantial conservation of existing and new water resources by substantially reducing evaporation.

AquaArmour is a hollow hexagonal-like shape made of long-life, high-strength, high-density polyethylene (HDPE), a recyclable material already used for packaging in the food and soft drink industries.

AquaArmour is spread over the surface of the water like a blanket, as can be seen (pictured below).

The cost of the water savings from AquaArmour is envisaged to be well below that required to generate new water supplies from the desalination

or recycling of treated waste water.

“The product may also be used to suppress blue green algae and toxin-containing algal growth through light and temperature reduction in water storages,” Valibhoy says.

“If AquaArmour is widely accepted by the Australian water industry, this could limit the need to construct new water storages for urban supplies and meet the needs of agri-businesses, electrical power stations and the mining industry.

“As the product is still in its infant stages, the risks involved are still quite high.

“The product may fail at the demonstration stage or a superior product may emerge that is more commercial.”

Aqua Guardian will look to further test the product, some of which is in the advance stages and then test it at a reservoir in Victoria.

If it is successful, a marketing and sales program will be performed. The next phase is the roll-out stage, which involves the establishment of commercial manufacturing facilities.

At this point, more funding may be required for its operations.

