

16 June 2008

Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

PEV signs agreements to develop its Australian agricultural market

Pacific Enviromin Limited ("PEV") has previously announced its domestic strategy to develop agricultural markets using the unique properties of its Mantuan Downs calcium bentonite.

This strategy has now advanced with the signing of agreements with several major Australian agribusinesses which will collaborate on the practical development of these technologies by blending the bentonite into feed supplements, incorporating the bentonite into the feeding regime of feedlots, and/or blending the bentonite into livestock manure to form an organic fertilizer.

These businesses include:

Rivcow Environmental Pty Ltd, the largest composting company of cow manure in Australia which prides itself on delivering the most consistent, high quality, environmentally safe, organic composted cow manure product. Rivcow produce over 600,000 tonnes of product each year and are looking to develop a blended bentonite product.

Kerwee Feedlot, located on the Darling Downs in South East Queensland. This feedlot has a capacity for 9,200 head and is accredited by the National Feedlot Accreditation Scheme. The Kerwee feedlot has been recognised by the Australian beef industry as a leading business in its field and has received a number of awards for its design, management and overall operations.

Norland Pastoral Pty Ltd, whose quality cattle properties are spread over 360km situated in the North West of NSW running through to Goondiwindi in Southern Queensland, with Head Office at "Weebollabolla" station at Moree. Weebollabolla has maintained a long association with the Shorthorn Breed both in Australia and internationally, dating back to the 1830s.

Other well known Australian agricultural companies are also participating in this development of growth enhancing, low-cost feedstock and a significant organic blended alternative to inorganic fertilizers.

At the front of the livestock feed-chain, apart from calcium bentonite's well documented ability to increase the productivity and well-being of ruminant animals such as cattle, sheep and pigs, it also has the potential to substantially reduce methane emissions.

At the other end of the chain, research clearly demonstrates that blending and composting calcium bentonite with agricultural waste streams (including manure from sources such as cattle, pigs, sheep and poultry, and abattoir waste), provides a high growth organic soil enhancer for use as a premium quality broad-acre fertilizer.

PEV will continue to support agricultural initiatives which reduce Australia's dependence on imported inorganic fertilizers which have doubled in price over the past 12 months.

Yours faithfully

A handwritten signature in black ink, appearing to read 'M. Brer', with a long, sweeping flourish extending to the right.

Chairman