

SHARES

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Demand for water treatment, especially in the Middle East, puts the company ahead

Modern Water set to beat target

Dan Coatsworth

The commissioning of a second pilot water desalination plant means **Modern Water (MWG:AIM)** could beat its June 2009 maiden revenue generation target by several months.

On Monday (15 September), Modern announced it had been commissioned to make a second pilot plant in Middle Eastern state Oman having just completed one in Gibraltar.

The pilots are designed to help Modern win commercial contracts, the first of which should be awarded next year. Buy now ahead of contract news.

Modern Water owns several pieces of technology to make drinking water from sea water. An estimated \$56.4 billion is expected to be spent around the world on desalination facilities by the end of 2015 led by the Middle East.

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‘We are moving at a rapid pace,’ says executive chairman Neil McDougall. ‘We are arranging for utility companies and desalination plant owners to visit our Gibraltar facility over the next few months. However, Oman has bigger revenue opportunities because the Gulf needs so much water treatment.’

Bluewater Bio (BWB:AIM) plans to form a joint venture company with Bahrain-based Zero Water Technology to treat waste water in the gulf region. Zero Water signed a deal earlier this month giving it exclusive rights to market Bluewater’s HYBACS system in Bahrain, Jordan, Kuwait and Saudi Arabia. In the UK, Bluewater will spend the next two months building a waste water pilot plant for **Severn Trent (SVT)**.

Shares says: **+** Buy **Modern Water, Bluewater Bio. Water is set to become a major investment area.**



Liquid assets: Modern Water is building a second pilot plant in Oman