

October 2008

Watermark Global plc

Selection of the Technology to be implemented by Western Utilities Corporation for the Treatment of Acid Mine Drainage

The Directors of Watermark Global Plc are pleased to announce that the Technology Selection process for the treatment of Acid Mine Drainage (**AMD**) in the Western Basin by Western Utilities Corporation (**WUC**), a wholly owned subsidiary of Watermark Global plc, has been completed. After extensive analysis, the Alkaline Barium and Calcium process (**ABC**) from the Council for Scientific & Industrial Research (**CSIR**) has proven to be the best technical and commercial solution.

Two pilot plants were designed, constructed and operated from earlier this year for a period of five months in order to prove the Company's concept and verify mass balances, including by-products generated by the process that could form part of the commercialisation phase. The CSIR technology has met the South African National Accreditation System ("SANAS") standards for industrial quality (SANAS class two) as well as potable drinking water (SANAS class one).

During the same period WUC engaged Golder and Associates (a leading Engineering Consulting Group) to start with the preparation of the Environmental Impact Assessment (**EIA**) study. Part of the EIA process is to identify possible sites for the construction of a commercial size plant to treat 75 mega litres of AMD per day, as Phase One of the project. The study will also assess possible routes into the heart of the platinum producing area of the North West Province and as a second option into the main Rand Water potable drinking system in the Gauteng Province.

A Pre-Feasibility Study (**PFS**) is currently being finalised which will be based on the ABC process and the parameters as defined by the pilot plant study. The PFS will also include engineering, primary legislation, capital and operating costs, market evaluation and sensitivity analysis. The PFS will be completed by the 17th of October 2008. Thereafter, the project will move on to the Definitive Feasibility Study ("DFS"), which will include:

- Public participation
- Conducting the required Environmental Impact Assessments
- Finalisation of water license application process
- Compilation of an Environmental Management plan
- Price determination and finalisation of initial off-take agreements;
- Detailed engineering design with a deviation of 10% on capital and operating cost estimates for a full scale commercial plant;
- Projected financing model and options.

The Directors expect to provide further updates within the next few weeks.

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