



Dear Sir

We have developed a NEW, Patented, low cost process which transform animal manures and sewage sludge into a highly competitive, effective fertiliser. The process does not rely on composting, temperature or pressure and is not related to the price of natural gas. The end fertiliser products also contain good levels of carbon (20-30%) which contribute significantly to enhanced moisture retention at the root level. Nutrients are immediately plant available and are released at the rate the plant wishes to draw upon them. It is not possible to over fertilise and burn the roots of the plant.

The process was developed by a farmer for use by farmers to reduce fertiliser costs, solve manure stockpile issues and be capable of application and use with existing practices, plant and equipment. This avoids significant re-education issues. Environmental and social outcomes are extremely strong. The process closes the nutrient cycle without endangering health or the environment. Sludge and trade or grease trap wastes that were previously disposed of to landfill, waterways, incineration or beneficial re-use are now effectively recycled as soil fertilisers.

The process and outcomes bear no resemblance to existing practices and processes and comments such as "lots of people do this" are totally ill-founded. We are developing customer bases in China, Jordan, UAE, HK, Thailand and the EU. The market here appears to be closed to us so we have not put much effort into Australian development although we are constructing a small plant in Queensland. Leading waste management companies have immediately recognized what we do once they see the process.

We can significantly reduce the cost of fertiliser, enhance productivity and moisture retention, eliminate sludge disposal issues, cut transportation costs associated with sludge by up to 4/5ths and blend inorganic or mineral fertilisers with our prill materials to achieve the desired fertiliser requirements necessary for matching with soil and crop needs. The carbon content helps to rebuild soil quality. Volumes can be considerable without the necessity for construction of complex fertiliser manufacturing plants.

If you consider this has a modicum of credibility and the invention of new process is not instantly dismissed as unachievable we would be honoured to talk with you further and submit more information. The outcomes will revolutionize the manner in which sludge is managed. We would be delighted to see Australia benefit from a sound Australian invention which began with Government support in 2001 rather than gain grudging recognition here many years after we have been successful overseas.

We can not and do not agree with statements that little can be done in relation to fertiliser costs because we have done it. We willing offer our process for review by any parties and welcome comment.

Yours faithfully

Peter Caswell

Chairman

Bio-Organics Group Pty Ltd

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