

Regulatory Announcement

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AQUA RESOURCES ANNOUNCES INVESTMENT IN BLUEWATER BIO INTERNATIONAL

17 March 2009 - Aqua Resources Fund Limited ("**Aqua**"), the closed-ended investment company managed by FourWinds Capital Management ("**FWCM**") established to invest in global water opportunities, announced today that it has entered into certain arrangements with regard to an investment of up to approximately 15 per cent. of the fully diluted share capital of Bluewater Bio International ("**BBI**" or "**Bluewater Bio**") a company incorporated in the Cayman Islands and involved in the design and marketing of an advanced biological solution for the treatment of wastewater.

BBI focuses on selling its proprietary wastewater technology, HYBACS, to both the municipal treatment sector and to industrial consumers and polluters of water.

This investment follows Aqua's initial joint venture agreement with the Ranhill Group to invest in water and wastewater operations in the People's Republic of China and Thailand, in November 2008. The investment announced today fits well with Aqua's strategy as it not only adds an attractive set of technologies focusing on wastewater treatment and water recycling, but also a very good geographic

coverage with partnerships and clients in both Western and Eastern Europe as well as the Middle East. Furthermore BBI has moved towards signing reference plants and distribution contracts with high profile water players. BBI creates an excellent fit in many business areas for Aqua.

Part of the investment in BBI by Aqua (representing 8.51 per cent. of the existing ordinary share capital of BBI) has been acquired by Aqua from FWCM for an aggregate sum of US\$ 2.97 million (EUR 2.30 million). This purchase constitutes a smaller related party transaction to which the provisions of UKLA Listing Rule 11.1.10R apply and have been complied with. BDO Stoy Hayward LLP has been appointed by the Company as its sponsor to act in relation to this aspect of the transaction. Following this purchase, FWCM retains a holding of 0.07 per cent. of the existing issued share capital of BBI.

Aqua has also entered into legally binding heads of terms, subject to definitive legal documentation and necessary shareholder, board and third party approvals to be obtained by BBI, under which Aqua has agreed to invest further cash, by way of a subscription for new ordinary shares and warrants of BBI, in order to increase its shareholding following its purchase from FWCM (as referred to above) from 8.51 per cent. to up to 16.13 per cent. of the enlarged issued share capital of BBI (14.94 per cent. of the share capital, fully diluted after the exercise of existing options and warrants), at an additional aggregate cost of approximately £2.32 million (EUR 2.51 million).

Hasan Askari, Chairman of Aqua's Board of Directors, said "The Board is delighted to announce Aqua's second transaction which positions Aqua with a strategic investment in a fast growing technology company bringing innovative solutions to the municipal and industrial wastewater sector".

Foreign exchange calculations have been based on the following rates: US\$ EUR 0.7757 and GBP EUR 0.9227.

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Disclaimers

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Notes to Editors

About Aqua

Aqua's investment objective is to provide long term capital appreciation through exposure to a diversified portfolio of water-related investments.

Aqua will invest principally in businesses that are involved in i) water treatment and recycling (i.e. wastewater and recycling, water treatment and purification), ii) water infrastructure (i.e. water distribution) or iii) water application and conversion (water- to- energy and desalination) with the objective of capturing the growth opportunities emerging from the attractive long-term dynamics driving the water industry.

Aqua was incorporated as a closed-ended Guernsey registered investment company on 12 June 2008 and admitted to listing on the Official List and to trading on the main market for listed securities of the London Stock Exchange on 24 July 2008.

Aqua is an Authorised Closed-ended investment scheme domiciled in Guernsey. As an existing closed-ended fund the Company is deemed to be granted an authorisation declaration in accordance with section 8 of the Protection of Investors (Bailiwick of Guernsey) Law 1987, as amended and rule 6.02 of the Authorised Closed-ended Investment Schemes Rules 2008 on the same date as the Company obtained consent under the Control of Borrowing (Bailiwick of Guernsey) Ordinance 1959 to 1989.

www.aquaresourcesfund.com

About Bluewater Bio

Bluewater Bio is the holding company of a group of companies which have developed a cost effective advanced biological solution for the treatment of wastewater. Bluewater Bio is involved at all stages of the process from plant design and costing through to installation, commissioning and training and, when required, the provision of ongoing operation and maintenance. The proprietary technology, called HYBACS (**Hybrid *Bacillus Activated Sludge***), is gaining acceptance among a growing number of companies both in Europe and in the Middle East to be commercially superior to many existing treatment processes worldwide, across a wide range of treatment requirements. BBI's strategy is to focus on selling HYBACS technology to both the municipal treatment sector and to industrial customers and polluters of water. This strategy aims to present customers with cost-effective HYBACS-based treatment and to offer solutions which provide the immediate treatment, capital cost benefits, wastewater reuse potential and also the lifetime operational expenditure benefits of the HYBACS process.

BBI's product offering addresses wastewater treatment requirements

associated with:

- municipal and domestic wastewater from cities and residential developments;
- upgrading existing sewage treatment plants to meet stricter regulations and legislation;
- wastewater reuse, providing high quality treated effluent for use in agriculture, irrigation, landscaping, and 'greening' initiatives where there is water scarcity, such as the Middle East;
- beverage wastewater from brewers and drink manufacturers;
- food processing wastewater, for example effluent from an abattoir or confectionary plant; and
- leachate wastewater, which is the fluid which accumulates in landfill sites.

HYBACS is also able to treat efficiently a much wider range of organic industrial wastewaters, including highly concentrated livestock wastewater and the effluent from, among others, textile manufacturers, hospitals and factories.

The HYBACS system is applicable to new and existing works, over a wide range of scale, and has been proven commercially in over 25 applications.

The HYBACS process deploys a different biological approach to any internationally established wastewater treatment process. Through its design and operation, HYBACS biologically selects a particular group of bacteria with unusual natural properties which, if correctly stimulated, exhibit higher biological reaction rates than other known naturally occurring bacteria. This forms the foundation of the HYBACS process's ability to deliver wastewater treatment with superior performance over competing technologies in a number of key areas.

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