



Purity with Innovation

**Asia Water Technology Ltd.
(Receiver Appointed)**

(Incorporated in Singapore)
(Co. Reg. No: 200210042R)

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**ADJUSTMENTS TO EXERCISE PRICE AND/OR NUMBER OF EXERCISABLE WARRANTS
ISSUED PURSUANT TO THE PROPOSED TRIUMPH SUBSCRIPTION, PROPOSED LITEBAY
SUBSCRIPTION AND RIGHTS ISSUE**

The Board of Directors (the "**Board**") of Asia Water Technology Ltd (the "**Company**") and together with its subsidiaries, the "**Group**") refers to the circular of the Company dated 21 January 2010 (the "Circular"). *Unless otherwise defined, all terms and references used herein shall bear the same meaning ascribed to them in the Circular.*

As at the date of this announcement, there are 9,146,249 Exercisable Warrants which have not been exercised. In accordance with the terms and conditions of the Deed Poll, the Proposed Triumph Subscription, Proposed Litebay Subscription and the Rights Issue constitute events that may give rise to, *inter alia*, an adjustment to the exercise price of each Exercisable Warrant (the "Exercise Price") and/or the number of Exercisable Warrants held by each holder of the Warrants ("Warrant holders").

As required by the terms and conditions set out in the Deed Poll, the computations of the new Exercise Price and the adjustments in the number of Exercisable Warrants have been approved by the Directors acting in consultation with Daiwa Capital Markets Singapore Limited, in accordance with the relevant provisions set out in the Deed Poll. The adjustments to the Exercisable Warrants will be certified by the Company's auditors in accordance with the terms and conditions of the Deed Poll, before being effected.

For illustration purpose only and assuming that the relevant approvals are obtained at the Extraordinary General Meeting on 5 February 2010, based on the number of outstanding Exercisable Warrants as at 29 January 2010, the adjustments to the Exercisable Warrants are as follows:-

	Current	After Proposed Triumph Subscription and Proposed Litebay Subscription⁽¹⁾	After Proposed Triumph Subscription, Proposed Litebay Subscription and the Rights Issue⁽²⁾
Exercise Price	\$0.180	\$0.035	\$0.025
Number of Exercisable Warrants	9,146,249	9,146,249	13,066,331

Notes:

- (1) This adjustment will be effective from the commencement of the next market day following the relevant shareholders' approval at the Extraordinary General Meeting on 5 February 2010 for the Proposed Triumph Subscription and Proposed Litebay Subscription be obtained.
- (2) This adjustment will be effective from the commencement of the market day following the record date for the Rights Issue, which will be the day following the Books Closure Date. The actual number of additional Exercisable Warrants to be issued pursuant to the above adjustment will be determined based on the outstanding number of Exercisable Warrants as at the Books Closure Date.

For illustration, approximately 428 additional Exercisable Warrants will be issued for every 1,000 existing Exercisable Warrants after the Rights Issue. The final adjusted number of Warrants will need to be confirmed after disregarding fractional entitlements for each Warranholder.

Application will be made to the SGX-ST for the listing and quotation of the additional Exercisable Warrants to be issued pursuant to the above adjustments and the corresponding new Shares to be issued pursuant to the exercise of the additional Exercisable Warrants, on Catalist.

Further details of the adjustments will be announced by the Company in due course.

In the meantime, Warranholders are advised to exercise caution in their dealings in the warrants. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

By Order of the Board

Kareti Venkataramana
Interim Executive Director

4 February 2010

Note:

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited, for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Huang Wei Beng (tel: 65-6221 5590) at 79 Anson Road #15-03 Singapore 079906.