

Press Release

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Subject: FUVAAL Fundación por la Vivienda Asequible en América Latina

WaterSmart Environmental, Inc. announces the selection of FUVAAL Fundación por la Vivienda Asequible en América Latina as its sole and exclusive partner to additionally develop its waste-to-energy technologies throughout Spain, Portugal, and Mexico. FUVAAL is the existing project developer for Central and South America and the Caribbean. WaterSmart Environmental is a manufacturer of water and wastewater treatment equipment and a provider of waste-to-renewable energy technologies. FUVAAL (www.fuvaal.org) is a foundation dedicated to promoting non-profit housing for the informal sector workers and lower income groups not covered by current housing provision. At least 365 million people in Central and Latin America live in sub-standard, mostly urban dwellings. There are many millions more in Spain, Portugal, and Mexico. Working in areas where infrastructure is often non-existent, and in order to provide support for the potential buyers of non-profit housing, FUVAAL has extended its activities to include job creation through environmental protection and agro-industry as well as the promotion of low cost housing finance.

WaterSmart Environmental is marketing its Kyoto Protocol compliant waste-to-energy technology on an economic development platform to concentrated animal feeding operators and to municipalities. Animal farmers benefit by purchasing biodiesel, electricity, and natural gas (methane) at a 20% discount from retail. Municipalities also benefit by making biodiesel, electricity, natural gas, and potable water available to its citizens and businesses at a 20% discount from existing prices. The technology is marketed on a build-own-operate basis thereby eliminating the necessity for local sales and property tax increases since project financing is entirely secured from the financial marketplace. Municipalities that embrace the waste-to-energy technology automatically become zero waste-to-landfill communities. The waste-to-renewable energy technology has been slowly developed over the last 10 years. It is just now being introduced to the international marketplace. The technology has the clear potential for making many municipalities in Central and South America energy and fuels independent while reducing oil and natural gas imports. The technology will also permit many municipalities in Central and South America to improve water and wastewater treatment infrastructure while creating jobs and investment opportunities. As this technology grows many municipalities in Central and South America will be able to slowly phase out their dependence on fossil fuel power generation facilities thereby gradually becoming fully compliant with all Kyoto Protocols.

The waste-to-energy technology can also be applied to Sugar Cane Mills as well as Pulp & Paper Mills with equal success. Both types of mills become energy, fuels, and water independent while significantly increasing profits from routine operations. In the case of Sugar Cane Mills temporary and seasonal jobs turn into full time better paying jobs.

The waste-to-energy technology can also be applied to municipalities that are in danger of losing their potable water resources. Mexico City is one such example. The waste-to-energy technology returns high quality water to a city's aquifer in the same manner that Orange County, California has been doing for the last 25 years.

The waste-to-energy technology can also be applied to hurricane disaster areas such as the Yucatán Peninsula where Hurricane Wilma recently vacationed for about 3 days. As an economic development program the company has recently donated its waste-to-energy technology to the Yucatán Peninsula to speed recovery from the devastation caused by Wilma.

WaterSmart Environmental, Inc. is a provider of waste-to-energy, food independence, water independence, and energy independence technologies and a manufacturer of highly engineered water purification components and systems. The company designs and builds a wide variety of water treatment equipment including packaged water and wastewater treatment plants, UltraPac™ aerobic package plants, OAT™ Process anaerobic digesters with associated energy production, aerators, filters, Pur-iSep™ and SmartWater™ oil/water and solids/liquids separators, RainDrain™ perimeter trench sand filters for stormwater runoff, dissolved air flotation separators, air strippers, complete skid assembled aqueous waste treatment plants, FilterFresh™ skid mounted potable water production plants, skid mounted wastewater treatment systems for laundromats, commercial laundries, and car/truck wash facilities with water reclamation and reuse, softeners, demineralizers, activated carbon treatment equipment, and water purifiers for domestic and international markets.

*Specialists in Water and Wastewater Treatment Featuring
Next Generation Wastes-To-**Renewable Energy** Technologies*

