

ASX ANNOUNCEMENT

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ECOQUEST ENTERS UK MARKET WITH LITTLE TAKAS

Modified nappy product to be released later this year

Ecoquest (ASX: ECQ) is entering the United Kingdom (UK) market with its Little Takas biodegradable nappy and bamboo baby wipes range.

The first shipment of nappies has been dispatched and will be available to UK consumers from mid-July 2011. Sales will be processed through a UK-specific Little Takas website and leading UK e-tailers.

In addition, EcoQuest has successfully modified its 90 per cent biodegradable nappy for lower production cost to allow for a competitive entry into European and North American markets and a more competitive retail price in Australia.

Importantly, the modifications retain the product's biodegradability and increase the sustainability content while using materials from more cost effective suppliers closer to the current supply chain.

This new product will be available for commercial release this calendar year.

Sylvia Tulloch, Chair of EcoQuest commented: "We are very excited at our first step into the international marketplace as we know our Little Takas nappies are world leading in terms of biodegradability, sustainability and performance. The potential market size is very significant and growing."

Matthew Hiscox, Managing Director of EcoQuest added: "Our UK go to market strategy is strong and our UK based colleagues have excellent business, retail and marketing networks and experience so we are very confident about our ability to enter this market successfully".

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About EcoQuest

EcoQuest Limited (ASX: ECQ) is a globally focused clean technology business based in Perth, Western Australia, and is listed on the Australian Stock Exchange (ASX: ECQ) and traded on the German Third Market.

EcoQuest is focused on developing and applying the latest technologies to create products with improved environmental benefits, but still maintaining excellent consumer performance.

The main product in the EcoQuest range are the Little Takas 90% biodegradable nappies designed for composting, which combines all the performance benefits of current market leading nappies with additional benefits for babies and our environment.

EcoQuest nappies have been tested in accordance with ISO 14855-1:2005. At the conclusion of six months independent scientific testing, the nappies achieved 90% of the maximum theoretical value for biodegradation.

The Little Takas nappy range and Bamboo baby wipes are sold in Australia.

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