



EcoQuest Limited
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ECOQUEST FAST-TRACKS N.Z. LAUNCH OF 90% BIODEGRADABLE DISPOSABLE NAPPY AFTER STRONG MAIDEN AUSSIE SALES

The owner of a world-leading 90 per cent biodegradable disposable nappy technology, EcoQuest Limited (ASX: ECQ), announced today it was in advanced negotiations to launch its range of products in New Zealand.

The Company also said it had initiated early discussions with potential distributors and sales agents in Europe and the United States.

This followed the overwhelming take up of its *Little Takas* nappy range in Australia, with more than 200 retail outlets throughout the nation now stocking the products, EcoQuest said.

EcoQuest announced today:

- early sales results in Australia have been ahead of expectations allowing the Company to look at progressing its international roll-out of its *Little Takas* range;
- it was in advanced talks with distributors and sales agents in NZ to finalise the launch of its nappy products;
- its nappy range is now available in every Australian state;
- maiden wholesale sales for its first month (October) of operations in Australia exceeded expectations; and
- its range of 100 per cent biodegradable baby wipes will be on sale in over 200 national supermarkets from this Thursday (4 November 2010).

“The strong interest being shown by the Australian retail sector in our *Little Takas* nappy range has been in line with our strongest expectations,” EcoQuest Chairman, Ms Sylvia Tulloch, said today.

“To successfully penetrate into more than 200 retail outlets - including the Australian arm of one of the world’s leading toy retail store chains, and a chain of specialty baby nursery stores - in less than two months is an outstanding achievement,” she said.

“We are also making significant inroads with larger prestigious retailers, which will further broaden our reach into the national retail sector.

“This strong interest has allowed us to look at advancing the international roll-out of our *Little Takas* range of nappies, with New Zealand our next destination.

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“Our intention has always been to create a global brand and early discussions with US and European retailers are progressing very well.

“We have initiated dialogue with a range of distributors and sales agents in those regions, with the intention of launching our *Little Takas* nappy range as soon as is practical.”

Other recent milestones announced by EcoQuest include its *Little Takas* range of nappies now stocked in prestigious national retailers including:-

- **All mainstream Australian** stores of one of the world’s leading retail toy store chains;
- 11 *Progressive Supa IGA* supermarkets in **Western Australia**;
- 20 *Farmers Jacks Foodworks* stores in **Western Australia**;
- 43 *Drakes* supermarkets in **South Australia** and **Queensland**;
- 21 *Romeos Retail Group* supermarkets in **South Australia**;
- 7 *Chapley Group* stores in **South Australia**;
- 7 *Luke’s Supa IGA Group* supermarkets in **Queensland**; and
- 5 *Baby Kingdom* – a leading baby nursery retail chain – stores in **New South Wales**.

“We believe our success in gaining listings in these leading national retail outlets – and our subsequent business growth – is built on the increased demand by consumers and retailers alike for more environmentally sustainable products,” Ms Tulloch said.

“To ensure our long-term future, we are planning to enhance and add to our sustainable product range, which will improve our cost of goods efficiencies, and consequently our profitability and returns on your investment.”

About EcoQuest

EcoQuest Limited (ASX: ECQ) is a globally focused clean technology business based in Perth, Western Australia, and is listed on the Australian Securities 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 first product in the EcoQuest range is a 90 per cent biodegradable disposable nappy 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 Australian Standard AS4736-2006 Biodegradable Plastics. At the conclusion of six months independent scientific testing, the nappies achieved 90 per cent of the maximum theoretical value for biodegradation.

A rigorous program of independent consumer testing of the new nappy with mothers and their babies has now also been completed, with strong results. It has already received strong interest from potential commercial customers throughout the world.

EcoQuest’s intellectual property is focused on non-woven disposable products. Further products in planning include biodegradable disposal nappy sacks and incontinence products.

For more information about EcoQuest visit its corporate website at www.ecoquestltd.com.

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