

Fire Tank Treatment, Hard Rock Hotel

22nd October 2003 AsPac Global Resources Pte Ltd Mr Henry Tan

Dear Henry,

I just want to update you on the Fire Tank water treatment by Hydrosmart, installed in August '03.

As you already understand the cost of PDAM water in Indonesia has increased by about 50% this year. This results in an increase in our water cost, especially in our swimming pool. It is my duty to ensure that our operating cost is kept as low as possible even with an increase in the PDAM water price. This must be done without compromising the safety of the guests, or the standard of our facilities.

We have been using PDAM water to top up the swimming pool, as our deep well water has a higher level of salinity, which we feel is not suitable for our guests.

Our swimming pool has a capacity of 3700 m3, our top- rate for the pool is about 200m3 /day. By treating the salinity of deep well water using Hydrosmart, collected in the Fire Tank we can use it for topping up the swimming pool. The hotel can save about 32,400,000 Rp /month, or US \$4,000/- this works to savings of about US \$48,000 a year.

So far, we are very happy with the results that we see in the Fire Tank treatment. And we are already using the Fire Tank water to top up the swimming pool. We are looking forward to receiving Hydrosmart systems for our swimming pool, as this will further reduce our chlorine and maintenance cost.

Thank you and see you again soon.

Agus Wisnu

Director of Engineering HardRock Hotel, Bali