

30th April 2010

Company Announcements Office
Australian Securities Exchange

Non-Binding Agreement with Optimate Pty Ltd surrounding PEL's EcoVision Technology

Pacific Environment Limited ("PEL" or "the Company") is pleased to announce that it has agreed to commercial terms in the form of a non-binding agreement (subject to execution of a final binding agreement) with Optimate Pty Ltd ("Optimate") to support the product, client and business development of PEL's EcoVision Technology.

Completion of this proposed transaction would represent an important development for PEL since it would:

- minimise cash obligation surrounding the development of the EcoVision technology;
- present a platform where PEL can realise revenue and profit short term; and
- have PEL's environmental technologies start to contribute to its EBIT and overall fundamentals to support its growth.

PEL is very happy to have engaged the support of Optimate in developing this proposed new business, in particular the support, strategy and execution capabilities of Optimate's Directors, Steve Miller and David Brookes. PEL will inform the Market if and when completion of the proposed transaction occurs.

Yours faithfully

PACIFIC ENVIRONMENT LIMITED



Merv Jones
Chairman

Optimate Pty Ltd

Optimate Pty Ltd is a Systems Integration and Software Development Company specialising in Real Time and Data Intensive solutions. Their versatility is exemplified by their presence across several industry sectors including Mining, Mineral Processing, Manufacturing, Food and Beverage as well as Energy and Utilities. Their client base includes such companies as Rio Tinto, Anglo American, National Foods, Qld Magnesia and Sunstate Cement. David Brookes and Steve Miller are 100% shareholders and Directors of Optimate.