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Memorandum

To	THE AUSTRALIAN STOCK EXCHANGE	From	SIMON CURTIS
Attention	THE COMPANY ANNOUNCEMENTS OFFICE	Date	22 MARCH 2004
Facsimile number	E-Lodgements	Our Reference	
Subject	ACQUISITION OF IT ENVIRONMENTAL (AUSTRALIA) PTY LTD	Number of Pages including this page	4

Dear Sir / Madam,

Further to the Company's announcement on Friday 19 March 2004 in respect of IT Environmental (Australia) Pty Ltd, please refer to the attached media release.

Please direct any queries in relation to this announcement to myself in the first instance.

Yours faithfully

A handwritten signature in black ink, appearing to read "Simon Curtis". The signature is fluid and cursive, with a long horizontal stroke at the end.

Simon Curtis
Company Secretary

MEDIA RELEASE

**COFFEY ACQUIRES IT ENVIRONMENTAL TO
BOLSTER PROFIT, GROWTH AND MARKET
LEADERSHIP**

(Sydney, Australia - 22 March 2004) Coffey International Limited (ASX:COF) has signed an agreement to purchase IT Environmental (Australia) Pty Ltd (ITE). The acquisition, costing approximately \$6 million in a mix of cash and shares, is expected to add approximately \$20m per annum in turnover with EBITDA of about 10%.

ITE is a market leader in the assessment and remediation of contaminated land and groundwater. It has 150 staff as well as long-term clients and contracts. It maintains a dominant position in the petroleum, chemical, manufacturing and general industrial markets.

“This acquisition will bring excellent profit growth that will strongly support the Coffey three-year earnings growth target of 50%. It also brings us considerable competitive advantage,” commented Coffey International Managing Director Roger Olds.

“Strategically, it brings us three benefits – firstly, access to key clients, including oil companies with sizable contracts in South East Asia and potential for growth in Central Asia and the Middle East, where Coffey has been developing opportunities. This strengthening of our industrial client base will further enhance Coffey’s client diversification strategies.

“Secondly, our combined skills, experience and businesses will make us overall market leaders in the contaminated land consulting and specialised remediation arena. Currently, Coffey is one of the market leaders in contaminated land consulting to the government, business and construction sectors, with very strong auditing, assessment and risk management skills. ITE is market leader for consulting and contracting to the petroleum, chemical, manufacturing and general industrial markets and is an Asia Pacific Region leader in specialised site remediation.

“Thirdly, ITE has developed excellent systems to undertake this kind of work in an effective and profitable manner. The ITE remediation skills and experience will be a valuable enhancement to the current suite of Coffey services.

“ITE has operated in the Australian and Asia Pacific market for 17 years under various names and overseas owners. Coffey will provide ITE with strong financial and operational support to allow it to continue its strong growth and to satisfy the demand from its multinational clients to conduct work in Asia.

“Due to the nature and size of the ITE business, we have no immediate plans to integrate the operations. Instead, we will focus on supporting ITE’s current growth while maximising the opportunities for cross-selling and sharing of staff. We will assess the potential for integration over the next twelve months,” he continued.

ITE Managing Director Peter Mirkov added: “ITE has developed an excellent culture of client service and proactive risk management including OH&S. I have no doubt that our staff will embrace the acquisition by Coffey as it opens up new avenues of growth potential for both the Company and its staff.” he said.

Completion of the acquisition is scheduled for 24 March 2004, subject to completion of obligations by both parties.

About Coffey International Limited

Coffey International Limited provides both physical and social infrastructure solutions to business, government and development assistance agencies. The Company operates two divisions: the Consulting Business, which comprises Coffey Geosciences, Control Testing Laboratories, Water Studies and Soil & Rock Engineering, and the International Development Business, which comprises SAGRIC International, Coffey MPW and Landmarc.

With the acquisition of ITE, the Company now employs around 750 people and is one of Australia’s largest service providers to the Asia Pacific Region. The Company is listed on the Australian Stock Exchange.

During the 2002/03 financial year, Coffey generated \$38 million revenue in Australia, \$38 million in South East Asia, \$21 million in the Pacific and \$13 million in China, Sri Lanka, India and the Middle East.

For more information, please visit www.coffey.com.au.

About ITE

ITE is a comprehensive environmental services provider with a 17 year track record, making it one of the most experienced operators in the environmental industry in Australia.

The Company provides a wide range of consulting, engineering, construction and remediation services to solve environmental issues for the construction, development, manufacturing, chemical, diversified industrial and oil & gas industries.

Following recent growth, the Company now employs approximately 150 staff throughout Australia and delivers annual revenue of approximately \$20 million in Australia and the Asia-Pacific Region.

For more information, please visit www.itenviro.com.au.

ENDS

Roger Olds is available for interview.

Company background and Managing Director profile available.

For more information, please contact Nicola Mendleson or Brigitte Claney, Mendleson Communication:

Telephone: 03 9827 0422 or 0412 189 558

Email: info@mendleson.com.au.