RNS Number: 34070 Qonnectis plc

20 February 2008

Qonnectis plc (AIM: QTI)

Memorandum of Understanding

The Board of Qonnectis plc ('the Company'), the data monitoring service provider for utilities and major commercial users of energy and water, is pleased to announce that it has signed a memorandum of understanding to enter into a distribution agreement for its new Leakfrog product with Halma Water Management ('HWM'), the sales distribution arm of Palmer Environmental Ltd, part of Halma plc.

The definitive distribution agreement, to be signed after due process, will enable Qonnectis and HWM to jointly market the Leakfrog domestic leakage monitor throughout the UK and internationally.

Michael Tapia, Chief Executive of Qonnectis, commented:

"HWM is internationally recognised as a leading supplier of water infrastructure and leakage products. The agreement will enable both parties to quickly take Leakfrog to a very wide global market."

Halma Water Management is a successful sales and sales support organisation servicing the water industry. HWM has dedicated sales teams throughout the UK and 35 international distributors servicing more than 50 countries worldwide. Today Qonnectis is presenting its Leakfrog product to over 100 of HWM's customers and distributors at its annual conference held at Wembley Stadium Conference Centre.

Mike Tennant, Business Development and Marketing Director of Palmer Environmental/HWM, said:

"We are very excited about the potential for Leakfrog with our customer base and look forward to a strong partnership with Qonnectis".

For further information, please contact:

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Editors' notes - About Qonnectis

Qonnectis' patented technologies enable the analysis of remote meter data to facilitate water leakage control, customer profiling, and energy and water management efficiency. Its products are already being used by a wide range of UK and overseas utilities as well as large commercial and domestic users of energy or water.

Leakfrog, developed with Thames Water, is a product which provides leakage detection and monitoring aimed at volume installations in homes. The iStaq family of products work by sending meter readings to Qonnectis' secure data centre via SMS text messaging over the GSM network. The data is then aggregated and published online via utility-branded 'myMeter' websites operated by Qonnectis. The data can also be sent directly to utilities' billings systems. Customers can access real-time information via a web browser using the 'myMeter' service.

For more information, please visit www.qonnectis.com.