

**HILL
MURRAY**



**ENGINEERING
WATER
SOLUTIONS**

August 6, 1999

Murray Warren
President
The Warren Group
3841 West 39th Ave
Vancouver, BC V6N 3A8

Dear Murray,

I am pleased to provide this letter of introduction and endorsement of your services.

As a 'solution provider' in the wastewater management and water reclamation/recycling field our primary market target are small municipalities and resorts in water short areas within North America. The average investment for one of our installations ranges from \$2 to \$8 million US.

Given the large geographical scope and diversity of needs, one of the challenges faced by Hill Murray has been finding a cost effective and results-oriented means of getting our 'message' to our target market. I am pleased to say that The Warren Group provided a key solution to our dilemma, when we contracted with you in late spring to adapt your in-house business development/teleprospecting program to our specific needs.

The translation of the industry-specific script you developed for us and your 3-day intensive telesales 'bootcamp' workshop into live telesales calls to prospects indeed was an impressive demonstration of the power of targeted marketing. You will recall no doubt the skepticism with which some of our sales reps undertook this learning opportunity – and how the positive results you demonstrated during the workshop turned them into keen participants. The turnkey format you provided, or, as you call it – the 'assembly line' selling approach – does yield results, as we have found since implementing the program. The basic principles are sound and effective:

- Calling up the decision makers;
- Identifying and qualifying for needs and wants;
- Capturing the market intelligence and putting it back into our contact management software system;
- Sending out marketing collaterals to the qualified prospects and directing them to our WEB site;
- Calling back the prospects and qualifying them for interest and money; and,
- Setting up very qualified meetings and seminars with these municipalities to earn their business.

One of the major beneficial results we have noticed is that our senior sales executives no longer have to spend precious time prospecting on the phone. Their specialized involvement comes into play with pre-qualified leads.

Murray, thanks very much for your excellent service. We wish you continued success.

HILL, MURRAY & ASSOCIATES INC.


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\$229,000,000.00 SALE funnel
 Built in less than 4 months

DEVELOPER	PROJECT	TOTAL EDU	WW/H2O	CONFEE	VALUE	
A	Meese Group	Lake Pleasant	230	B	4,500	\$ 1,035,000
B	W Smith/D Leo	Pleasant Lake	541	B	4,500	\$ 2,434,500
B	Accent Homes	Red Rock	4,500	B	2,800	\$ 12,600,000
C	Mike Horner	Silverado	1,500	B	3,600	\$ 5,400,000
C	DMB	Cat	11,000	B	3,000	\$ 33,000,000
D	Willis/Vistoso	Ware Farms	2,500	B	3,400	\$ 8,500,000
D	Willis/Vistoso	Bella Vista	12,800	B	3,300	\$ 42,240,000
D	Legacy Land	McCartney	1,800	B	3,550	\$ 6,390,000
D	Jay Hawes	Ribera Canyon	400	WW	4,700	\$ 1,880,000
D	Harvard Investments	Inscription Canyon	1,500	B	3,700	\$ 5,550,000
D	Hass & Haynie	Kona	470	WW	4,000	\$ 1,880,000
E	Suncorp	Litsco	4,500	WW	2,900	\$ 13,050,000
P	RFI	Santa Clarita	1,700	WW	3,000	\$ 5,100,000
P	Accent Homes	Ruidoso	540	B	3,500	\$ 1,890,000
P	RHS - Mike Reinbold	El Dorado	3,500	B	4,250	\$ 14,875,000
P	Rick Jacobs	Maravilla	1,000	B	4,000	\$ 4,000,000
P	Black Palm	Cabo Pacifico	1,500	B	5,500	\$ 8,250,000
P	Gary Torhjelm	Saddleback North	4,500	B	4,000	\$ 18,000,000
P	Leatherwood	Surprise	3,000	WW	2,700	\$ 8,100,000
P	Leatherwood	Peoria	3,000	WW	2,700	\$ 8,100,000
P	Bloomfield	Muni Upgrade		WW		\$ 5,000,000
P	Del Webb	2K	2,000	WW	2,200	\$ 4,400,000
P	Del Webb	3K	3,000	WW	2,200	\$ 6,600,000
P	Dan O'connor	Litchfield	500	B	3,000	\$ 1,500,000
P	Pinnacle Group	Kona	300	B	4,500	\$ 1,350,000
S	Dan Donovan	Tucson	450	B	3,000	\$ 1,350,000
S	Dennis Krahn	Peoria	753	WW	3,000	\$ 2,259,000
S	Adjacent Ruidoso	New Mexico	600	B	3,500	\$ 2,100,000
S	Victorio Hills	Tombstone	800	B	3,500	\$ 2,800,000
TOTALS		68,884			\$ 229,633,500	

Rankings

A	Agreed Deal
B	Accepted proposal working forward
C	Proposal sent - acceptance looks good
D	Proposal Sent - Don't know yet
E	Proposal Sent - unlikely
P	Prospect - Proposal to be sent
S	Suspect - needs to be qualified