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For immediate release

Wellington Announces Further European Supply Agreement

Wellington Drive Technologies Ltd (Wellington) (NZX:WDT) today announced another Supply Agreement with a leading European manufacturer and supplier of air moving equipment.

The agreement covers supply by Wellington of motors, and associated electronic controllers and software, from February 2004. Projected quantities envisaged by the agreement begin at fifteen thousand units, with a value of more than \$NZ1M in 2004 at the indicative pricing levels agreed, rising to sixty thousand units in 2006. Order levels are subject to confirmation. The name of the European manufacturer is being held confidential until after the launch of their first Wellington-based products.

This deal follows a similar supply agreement announced in May that envisages 30,000 units valued at over \$NZ2M in 2004. "Our recent successes lead us to believe that our strategy developed in 2000 of moving to manufacture on a moderate scale in New Zealand will be successful," said Wellington Chief Executive Ross Green. "We have been able to attract top-name premium producers to our motors more quickly than would have been the case under our initial licensing-only model."

"Our new partner is a long-established company with a comprehensive product range and an impressive track record. We are pleased that an industry leader of their standing is adopting our motors. They are well placed to benefit from the market shift in Europe towards energy efficient ventilation systems. We believe our motors will give them some distinct advantages in this highly competitive market", said Dr Green. "The present agreement covers a portion only of their present production. The low noise of our motors, as well as the low power consumption, was an important factor in the decision to use Wellington."

Wellington sells a unique and proprietary design of small electric motor targeted at premium segments of the appliance market. These motors offer distinct advantages to appliance manufacturers and consumers including energy savings, low noise and reduced size and weight at a cost-effective price.

In addition to the Supply Agreements for New Zealand-manufactured motors announced this year, Wellington's designs have also been licensed recently to the leading European appliance companies Aweco GmbH (Germany), Arçelik A.S. (Turkey) and to Seeley International Pty. Ltd (Australia).

For further information visit www.wdttl.com.

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