



ZCL Composites announces U.S.-wide supply agreement with Tank Tech

For Immediate Release

Edmonton, Alberta, August 1, 2007...ZCL Composites Inc. (TSX:ZCL) announced today that it signed a seven-year supply agreement under which the tank service company Tank Tech Inc. ("Tank Tech") of Blodgett, Missouri will sell and install ZCL's PHOENIX SYSTEM® tank liner product across the U.S. Financial terms of the agreement were not disclosed.

The new agreement replaces a Florida-only, five-year agreement between ZCL and Tank Tech announced in 2006. The PHOENIX SYSTEM® uses ZCL's patented three dimensional glass fabric known as Parabeam® to create an internal lining for the secondary containment of underground petroleum storage tanks, such as those used by gasoline service stations.

"We have progressed to a nation-wide agreement because we both recognize the huge opportunity available to us in the U.S.," said Ven Côté, ZCL's President and Chief Executive Officer. "This new agreement builds on the excellent partnership we have established in Florida by combining our tank lining and secondary containment technology with Tank Tech's vast installation and service experience."

Over the past 18 months, under the Florida-only agreement, Tank Tech has successfully installed ZCL's PHOENIX SYSTEM® tank liner in more than 300 underground storage tanks at more than 100 locations. ZCL estimates that between 10,000 and 15,000 underground petroleum storage tanks in Florida will require replacement or upgrading under state legislation that requires single-wall tanks to have secondary containment by December 31, 2009.

So far, Florida is the only U.S. state to establish a deadline for secondary containment of existing underground petroleum storage tanks. Over time, ZCL and Tank Tech both expect many other U.S. states may follow Florida's decision, vastly increasing the demand for ZCL's tank liners.

Under the agreement ZCL and its affiliates retain the right to market and sell PHOENIX SYSTEM® tank liners directly to U.S. customers. Tank Tech has non-exclusive marketing rights and has exclusive installation rights for the PHOENIX SYSTEM® in the U.S.

"We believe there is a large, long-term global market for an alternative to tank replacement when upgrading existing single wall tanks to secondary containment standards. This alternative to tank replacement can minimize both site disturbance and lost revenue at service stations. With the PHOENIX SYSTEM® technology and this new agreement with Tank Tech in place, we are in a unique position to offer our customers the option of the finest in new fibreglass tank products, as well as a proven lining system for their upgrading needs," said Mr. Côté.

About ZCL

ZCL Composites Inc. is North America's largest underground fibreglass tank manufacturer. ZCL's complete fuel storage systems marketed under the "Prezerver" trademark carry a \$2 million warranty against pollution. More information about ZCL is available on its website at www.zcl.com

About Tank Tech

Tank Tech Inc. provides a full range of storage tank services including inspections, repairs, upgrading and linings of both above and below ground storage tanks. Tank Tech is based in Missouri and has offices in Florida, Delaware and Texas. With more than 20 years experience and a staff of fully trained professionals, it offers its services throughout the United States. More information about Tank Tech is available on its website at www.tanktech.com.

Disclaimer

This news release contains forward-looking information concerning future events or ZCL's future performance. Actual events or results could differ materially from a conclusion, forecast or projection in such forward-looking statements due to a number of known and unknown risks, uncertainties and other factors affecting ZCL's business, the industries ZCL serves and the economy generally. Certain material factors or assumptions have been applied in drawing conclusions or making forecasts or projections as reflected in the forward-looking statements. ZCL believes that the expectations reflected in these forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon.

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