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FOR IMMEDIATE RELEASE

TALLASSEE, ALABAMA [September 29, 2006] – Neptune Technology Group Inc. announced today that a contract is in place to provide the City of Chandler, Arizona technology to automate data collection from 72,000 water meters in Chandler's service area with Neptune ARB® Utility Management Systems™. Product will be purchased through Neptune's distributor, Hughes Supply (part of HD Supply Waterworks) in Phoenix.

This project includes Neptune meters equipped with the E-Coder)R900*i*, Neptune's wireless AMR solution that provides consistently reliable data, leak and reverse flow detection, and easy installation. As a result, the system will allow the City to provide its water customers with leakage data and promote a proactive water loss management program. The City will utilize Neptune's CE-based handheld readers and RF receivers for on-site data collection and GIS-compatible mobile data collectors for monthly meter reading.

According to Jim Crocker, Chandler's Customer Service Manager, "Because Chandler was already thirty percent AMR and considering a new reading and metering product to take us through build out, tremendous research and evaluation was required. Chandler did far more than due diligence on this decision, and we are excited and confident about our new choice. Three major factors contributed to our decision; Neptune's excellent reputation for standing behind their products, their vision for future enhancements - always building on their latest product for next-generation products, and the fact that we will work with one company for both meters and meter reading technology. We are confident that Neptune is the right company for this technology-savvy city."

About one third of the City of Chandler's water meters are already equipped with another brand of Automatic Meter Reading system. "We are particularly pleased that the City of Chandler has chosen Neptune for its AMR needs", said Chuck DiLaura, President of Neptune Technology Group. "The City has had experience with other radio frequency based AMR systems and decided that Neptune's system is better suited to address their needs."

About the Companies:

The City of Chandler, AZ is located in the southeastern portion of the Phoenix Metropolitan area. As one of the fastest growing cities in the nation among cities with population over 100,000, Chandler is now the sixth largest city in Arizona. Chandler was established in 1912, incorporated in 1920, and has grown to a population of over 240,000 people. Initially nourished by a strong agricultural economy, Chandler now calls itself the “High-Tech Oasis of the Silicon Desert” and several leading high-tech firms have operations in the City. With an annual operating budget of over \$500 million, the City of Chandler’s 1600 employees provide the services and maintain the infrastructure within its 71.5-square-mile boundary. Additional information can be found at the City’s Web site at www.chandleraz.us.

Neptune Technology Group Inc., a pioneer in the development of Automatic Meter Reading (AMR) technology for nearly 40 years, is a leading provider of data collection systems under contract to read more than 46 million meters per month. Since 1892 Neptune has continually focused on the evolving needs of utilities — revenue optimization, operational efficiencies, and improved customer service. Neptune continues to broaden its focus beyond automatic meter reading and metering to include service orders and meter asset management and to extend this capability to electric and gas utilities. In 2003, Neptune acquired DB Microware, a developer of utility automation software for meter reading, service order management, and route optimization. Neptune provides utility automation software touching over 58 million connected customers throughout North America. For additional information, visit the company website at www.neptunetg.com.