



PRESS RELEASE

GE Completes ZENON Environmental Acquisition; Expands Water Purification, Wastewater Treatment, Reuse & Desalination Pre-Treatment Platform

TREVOSE, Pa. (June 1, 2006) - GE Water & Process Technologies, a unit of General Electric Company (NYSE: GE), today announced its completion of the ZENON Environmental Inc. (TSX: ZEN and ZEN.A; OTC: ZNEVF and ZNEAF) acquisition. GE purchased ZENON, a global leader in advanced membranes for water purification, wastewater treatment and water reuse, in an all cash transaction valuing ZENON at approximately US \$689 million or Cdn \$763 million. Under the terms of the agreement, GE purchased all issued and outstanding Common Shares of ZENON (ZEN – TSX) and Non-Voting Class A Shares (ZEN.A – TSX) for Cdn \$24.00 per share in cash.

"ZENON joins GE at a time when water quality, water scarcity, and infrastructure challenges around the globe are growing," said David Calhoun, GE Vice Chairman and President & CEO, GE Infrastructure. "With patented technologies that can treat virtually any water source, ZENON is setting the industry standard in providing the lowest life-cycle cost for our customers in one of the fastest growing sectors in water purification and wastewater treatment."

Over its 26-year history, ZENON pioneered the use of ultrafiltration immersed membrane technology for water and wastewater treatment. ZENON membranes have become the technology of choice for water and wastewater plants of all sizes, and their adoption is spreading rapidly throughout the world.

"GE's world-class Global Research Centers, a global sales team with deep domain knowledge, expertise in services, a strong global presence, and expertise in financing projects of varying complexity, and ZENON's talented people and technologies make it a great strategic match," said Jeff Garwood, President and CEO, GE Water & Process Technologies. "We look forward to serving customers around the globe with safer drinking water and exceptional wastewater treatments that turn wastewater into a valuable asset with exceptional life cycle cost reduction."

ZENON's advanced hollow fiber membrane technology provides solutions for numerous water and wastewater treatment applications including membrane bioreactor (MBR), tertiary water filtration, drinking water treatment, industrial process water and water reuse. ZENON has an extensive patent portfolio that will enhance GE's current water scarcity platform by providing pre-treatment technology for reverse osmosis desalination and water reuse. ZENON's technology in municipal water and wastewater treatment will enhance GE's presence with advanced technology products in this large global industry. ZENON's technologies also will help GE provide the best life cycle cost reduction for customers in long-term service agreements.

ABOUT GE WATER & PROCESS TECHNOLOGIES

GE Water & Process Technologies, a unit of General Electric Company, is solving some of the world's most pressing water challenges by providing industrial, agricultural and potable water, while lessening our dependence on fresh water sources. Technologies to accomplish this include desalination, advanced membrane, separation solutions, and water reuse and wastewater management and process technologies. GE delivers value to customers by improving performance and product quality, reducing operating costs and extending equipment life. For more information on GE Water & Process Technologies, visit www.gewater.com.

In Canada, GE has operations across the country, including 15 major manufacturing facilities, over 150 sales and service locations and more than 9,500 employees.

About ZENON Environmental

ZENON is a world leader in providing advanced membrane products and services for water purification, wastewater treatment and water reuse to municipalities and industries worldwide. Canada's Top 100 Employers ranked ZENON in their top 100 list for the last six years. An S&P/TSX Composite company, ZENON Environmental Inc. trades on the Toronto Stock Exchange under the symbols ZEN and ZEN.NV.A; and on the OTC under the symbols ZNEVF and ZNEAF. Additional information is available at ZENON's web site www.zenon.com.

Caution Concerning Forward-Looking Statements

This document contains "forward-looking statements" – that is, statements related to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," or "will." Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For GE, particular uncertainties arise from the behavior of financial markets, including fluctuations in interest rates and commodity prices, from future integration of acquired businesses, from future financial performance of major industries which we serve, including, without limitation, the air and rail transportation, energy generation, media, real estate and healthcare industries, from unanticipated loss development in our insurance businesses, and from numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive and regulatory nature. These uncertainties may cause actual future results to be materially different than those expressed in the forward-looking statements. Neither GE nor ZENON undertakes to update our forward-looking statements.

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