

ASX ANNOUNCEMENT

Thursday 3rd October 2019

PET Chinese Directors execute strategic share sale

Following an approach by a well-respected Australian institutional investor looking to purchase a meaningful stake in PET, the Company's Chinese Directors agreed to sell some of their holdings in two crossings.

The PET Board and management still owns over 25% of the fully issued capital of PET. This sale was coordinated to minimise market disruption.

Deputy Chairman Mr Zhigang Zhang commented: *"Following this sale there is no intention to sell further shares while the Company pursues increased global traction for its products."*

Chairman Laurence Freedman AM commented: *"The Board welcomes the vote of support that comes with such a substantial investment and is encouraged by the growing level of investor interest."*

Mr Laurence Freedman AM
Chairman

Mr Robert Schuitema
Managing Director

For more information please contact:

Mr Laurence Freedman AM – Chairman; Phone: + 61 (02) 8999 1999

Mr Robert Schuitema – Managing Director; Phone: +61 (02) 8014 7611

Mr Michael Kotowicz – Investor Relations; Phone: + 61 (02) 9199 8010 / Mob: 0416 233 14

ASX Code: **PET**

Share Price: **A\$1.31**

52 Week High: **A\$1.60**

52 Week Low: **A\$0.32**

Issued Shares: **562.7m**

Market Cap: **A\$737m**

Address:

Suite 403
25 Lime Street
Sydney NSW 2000

Phone: +61 2 8014 7611

Email: enquiries@phoslock.com.au

www.phoslock.com.au

www.phoslock.eu

www.phoslock.com.br

www.phoslock.cn

PHK BLOG on Water Issues:

www.phoslock.com.au

PHOSLOCK ENVIRONMENTAL TECHNOLOGIES LIMITED (PET)

Phoslock Environmental Technologies Limited is listed on the Australian Stock Exchange (ASX Code: PET).

Phoslock Environmental Technologies Limited (ASX: PET) is an international environmental company specialising in engineering solutions and water treatment products to remediate polluted lakes, rivers, canals and drinking water reservoirs.

PET has its headquarters in Sydney, Australia with offices in Brisbane, Beijing & Changxing, China; and Manchester, UK. PET is represented by licensees, distributors and agents in ten other countries including SePRO Corporation in the United States and HidroScience in Brazil. PET has a number of marketing and co-operation agreements in China with various environmental companies and government agencies.

In 2017 Phoslock (Beijing) was formed to help remediate the massive Chinese algae and water pollution problem. This 100% owned subsidiary undertakes design, engineering, and implementation of rivers, canals, reservoirs and lakes, along with construction of wetland areas. The significant broadening of the historical PET business allows for work on a greatly increased array of projects both in China and elsewhere.

PET owns the patent for *PHOSLOCK*, a unique water treatment product that permanently binds excess phosphorus in the water column and sediments. This in turn inhibits the growth of Harmful Algal Blooms (HAB) that lead to detrimental effects to both aquatic and human life.

PHOSLOCK is certified to be used in drinking water in North America, Europe, UK, Brazil, Australia and China.

Along with *PHOSLOCK*, PET also supplies:

- 1) Zeolites - a porous, natural material that can be applied to heavily polluted water to absorb nutrients such as nitrogen. Nitrogen is an important food source for the growth of harmful algae.
- 2) Bacteria. - Specialised types of bacteria can break down contaminants and organic matter that pollute water and cause human and water-borne diseases.

PET has a large multi-purpose factory in Changxing, Zhejiang province, China, 150km inland from Shanghai, which manufactures its patented technology, *PHOSLOCK*, along with nutrient binding materials zeolites and bacteria. It also has an engineering and physical water management division.

The Changxing Factory recently received ISO accreditation from TUV Rheinland, a German engineering accreditation agency for:

ISO 9001 – Quality Control and Documentation Certification;
ISO 14000 – Environmental Management Standards Certification; and
OSHA 18000 - Health and Safety Management Systems.

PET has secured the exclusive global licence to manufacture, sell and distribute a unique new product which, after removing phosphorus from polluted water, can be reused. PET has established a development team to advance the product to full commercialisation. It is anticipated that commercial quantities of the new product will be available by mid-2020.

For more information on the company, recent news and blogs, please visit our website:
www.PHOSLOCK.com.au