

PHOSLOCK®

Phoslock Water Solutions Ltd.
ABN 88 099 555 290

ASX ANNOUNCEMENT

Wednesday 24th November, 2010.



Recent Phoslock Applications

Germany

Work started last week on the application of 150 tons of Phoslock to a lake in **northern Germany** (photo below). The application is expected to be finished later this week. This is the 27th application of Phoslock to a lake in Europe and United Kingdom over the last 4 years.



United States

Phoslock was recently applied to a 5 hectare lake in **Southern California, United States**. This was PWS's first application in the USA. The application is being closely monitored by a number of regulatory agencies and initial results are very encouraging. Two additional lakes in Orange County have been identified for Phoslock applications within the next 3 weeks. The applications are being

ASX Code: **PHK**
Share Price: **A\$0.06**
Issued Shares: **210.0m**
Market Cap: **A\$12.1m**
Unlisted Options: **5.4m**

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conducted by AquaTechnex, our licensee in this region of the United States. A press release on this application is contained on page 3 of this announcement.

Canada

A 2 kilometre portion of the Holland River in **Ontario, Canada** is scheduled to be applied in early December before the river ices over. The timing of the application is to permit the maximum adsorption and removal of phosphorus from the environment. Holland River which flows into Lake Simcoe has been identified as one the major remaining sources of phosphorus. Phosphorus control is a major strategy of the Lake Simcoe Region Conservation Authority(LSRCA). LSRCA won the prestigious Thiess River *Prize* in 2009 for its work on the management of the lake catchment and also for its innovative use of Phoslock.

Staged Phoslock applications to the outer canal of the Holland Marsh are continuing, subject to construction progress. This is 12-18 months project where Phoslock is being used in a newly constructed canal.

Australia

Several smaller applications have recently been completed in **Australia** to waste water ponds and storm water systems.

Aquaculture

A number of smaller sales have been made to **Aquaculture** customers over the last few months, with a number of other aquaculture companies, both in Australia and internationally, looking at the suitability of Phoslock in their aquaculture ponds.

China

Planning is underway to apply Phoslock to a portion of a large lake in **China** in January, and if successful, apply up to 500 tons of Phoslock to the whole lake in May/June 2011.

For more information please contact Mr Robert Schuitema; Managing Director on (02) 9439 7715

First US Phoslock Application Yields Promising Phosphorus Reduction

From Aquatechnex's press release – 22 November, 2010.



Aquatechnex Biologists applying Phoslock to strip phosphorus from the system

Aquatechnex has been working with an Australian Company, Phoslock, to bring their technology to the United States. Phoslock is a bentonite clay based compound developed by the Australian Government scientific body for this purpose and when applied in conjunction with a plan designed based on the individual conditions in the lake will provide dramatic results. This is a tool that can be used to re-set the biological clock of the lake by sequestering the phosphorus in the system and controlling release from the lake sediments.

This first Phoslock application was made the first week in November in Southern California to a lake system that was extremely rich in nutrients and has experienced severe algae blooms for a number of years. Pre treatment sampling was performed to develop a nutrient budget for the lake and calculate a dose rate. On Nov. 10th the application was performed.

Pre treatment total phosphorus levels (includes algae biomass) were 0.82 mg/l and Ortho-phosphate levels (dissolved or available in the water column) were 0.6 mg/l. One week post treatment the total phosphorus levels were reduced by about half at 0.43 mg/l and ortho-phosphate (available P) was reduced to No Detect. As algae drop out of the water column the phosphorus present in those organism are also expected to be locked by Phoslock and the total P levels should come down as well.

