



ASX Code: **PHK**

Share Price: **A\$0.043**

52 Week High: **A\$0.058**

52 Week Low: **A\$0.022**

Issued Shares: **268.9m**

Market Cap: **A\$11.6m**

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.com.cn

Phoslock BLOG on Water Issues:

www.phoslock.com.au

ASX ANNOUNCEMENT

Monday 21st March 2016

Brazilian Pampulha Project Officially Launched

The Pampulha Lake Restoration Project was officially launched late last week by Marcio Lacerda the Mayor of Belo Horizonte. This project is valued at more than 29.5 million Brazilian Real (A\$10.7 million) and will involve the application of more than 1,200 tonnes of Phoslock (value of PHK product and other services approx \$4.5-5 million – subject to exchange rates).

More than 200 people including stakeholders, officials and members of the public attended the high profile ceremony. It drew considerable media attention, the event covered by four major television networks and all local media.

The site preparation is now complete and the first application of Phoslock to the lake is scheduled for mid April. The project is slated to run for up to 18 months. The aim of the project is to improve water quality in the hyper-eutrophic lake sufficiently so that the lake can again be used for water sports such as boating and sailing.

Lagoa da Pampulha is more than 180 hectares in size and is a popular destination for the residents of Belo Horizonte due to its beauty and tranquillity. In recent years, the lake has become increasingly eutrophic as a result of high phosphorus loadings from the catchment. These loadings have been reduced more recently due to investment in infrastructure made by the City in sewage systems, however the problems of the lake remain due to legacy phosphorus in its sediments. The application of the Phoslock is aimed at reducing this internal phosphorus load and the associated blooms of blue green algae.

Phoslock repays March Convertible Security instalment in cash

The Board of PHK has again chosen to exercise its right to repay the 11th monthly instalment, paid on 18 March, 2016 under the Convertible Note facility **in cash**. Under the Convertible Note facility with The Australian Special Opportunities Fund LP (ASOF), the Company may choose to pay monthly instalments in either shares or in cash.

This is the sixth consecutive repayment the Company has decided to repay in cash rather than shares. This is as a consequence of significantly improved cash flow from

PHK projects. The total outstanding under the ASOF Convertible Security is currently \$306,668. This is repayable by 4 monthly payments of \$76,667. PHK will look at making future monthly repayments in cash, where cash-flow of the Company allows.



Application works area at Lagoa da Pampulha

For more information please contact:

Mr. Laurence Freedman AM
Chairman
Phone: 8999 1999

Mr. Robert Schuitema
Managing Director
Phone: 8014 7611

Michael Kotowicz
Wentworth Place Group
Phone: 0416 233 145

PHOSLOCK WATER SOLUTIONS LIMITED (PHK)

PHK produces *Phoslock*, a patented technology which was developed by the Commonwealth Scientific and Industrial Research Organisation (“CSIRO”). PHK has lodged a subsequent patent application to protect the core Phoslock technology which is in an advanced stage of being granted in approx. 50 countries, with the intention of extending the core *Phoslock* technology to 2033.

PHK is headquartered in Sydney, Australia and has offices in Brisbane, Shanghai & Sichuan, China and Bremen, Germany covering Europe and South America. PHK is represented by licensees, distributors and agents in ten other countries including SePRO Corporation in the United States.

Phoslock is a certified NSF/ANSI Standard 60 product - North American Drinking Water (see websites ansi.org and scc.ca). This certification enables Phoslock to be applied to water bodies used for human consumption.



Phoslock Water Solutions Ltd. is listed on the Australian Stock Exchange (ASX Code: PHK).

For more information about Phoslock Water Solutions and *Phoslock* please visit our websites: www.phoslock.com.au or www.phoslock.eu (Spanish, Italian, Dutch and German) or www.phoslock.com.br (Portuguese) or www.phoslock.com.cn (Chinese).

Phoslock BLOG on Phoslock news and current Water Issues – see www.phoslock.com.au and look for Phoslock BLOG icon in top right corner of the Home Page.

ABOUT PHOSLOCK – the Product

Phoslock is a unique water treatment product that binds phosphorus in water bodies such as lakes and dams. It provides a protective permeable layer to sediments, permanently preventing the re-release of phosphorus.

Retention of phosphorus reduces the level of algae by depriving it of nutrients. This in turn improves water quality, both for human use and aquatic life as well as preventing and controlling Harmful Algal Blooms (HAB).

Phoslock is primarily used as an in-water solution for lakes, drinking water reservoirs and other recreational water bodies. It is also used as a preventative product to absorb phosphorus before it is transported into water bodies by being applied in storm water basins and inflow channels, rivers and canals.

Phoslock is approved for use in North American Drinking Water Reservoirs via NSF/ANSI Standard 60 Certification. **This certifies that *Phoslock* is safe for use in drinking water.**

Phoslock has been used on many of high profile water bodies in Europe/UK, North America and Australia. To date over 250 initial and follow-up applications have been successfully made.

Over 40 peer reviewed scientific and technical papers, have been published on Phoslock in leading scientific journals. For access: www.phoslock.com.au