

PHOSLOCK®

Phoslock Water Solutions Ltd.
ABN 88 099 555 290

ASX ANNOUNCEMENT

Wednesday 17th February, 2010.



Canning River, Western Australia

Phoslock Water Solutions (PWS) wishes to advise that it has been contracted by the Western Australian Department of Water in conjunction with the Swan River Trust to undertake an application of 50 tons of Phoslock to certain areas of the Canning River. This river runs to the south of the city Perth and picks up high phosphorus loadings from agricultural areas upstream and residential water run-off in the city residential areas.

The purpose of the application is to reduce phosphorus loadings in high concentration areas, reducing the incidence of blue green algal outbreaks, particularly this time of year (late summer and autumn).

The Canning River was one of the test sites used by the CSIRO and WA Department of Water in 2000 and 2001 when Phoslock was undergoing trial applications. The results from those trials were very positive and led to the development of Phoslock as a commercial product. The current application is part of the Swan River Trust and WA Governments action plan to reduce phosphorus loadings in the Swan, Canning and Vasse Rivers. The WA Minister for the Environment, the Honourable Donna Faragher and the WA Minister for Water, the Honourable Dr Graham Jacobs are scheduled to visit the application during this week.

ABOUT PHOSLOCK

Phoslock is a unique water treatment product that locks in phosphorus and provides a protective permeable layer to sediments preventing the re-release of phosphorus. Retention of phosphorus deprives algae of nutrients, which improves water quality for human use and aquatic life as well as preventing and controlling Harmful Algae Blooms (HAB).

ASX Code: **PHK**
Share Price: **A\$0.115**
Issued Shares: **186.5m**
Market Cap: **A\$21.5m**
Unlisted Options: **23.6m**

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Phoslock is used as an in water solution for lakes, drinking water reservoirs and other high value 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 and canals. Phoslock also absorbs other harmful contaminants including arsenic, vanadium, boron and selenium.

PWS has worldwide exclusivity in sales and marketing of the Phoslock technology. PWS is headquartered in Sydney, Australia and has offices in Kunming, China and European operations (covering 16 countries) in Bremen, northern Germany. Phoslock is represented by licensees and agents in eight other countries.

For more information please contact Mr Robert Schuitema; Managing Director on (02) 9453 0455.

