

ASX ANNOUNCEMENT

Wednesday 13th April 2016

First Canal Project In Major Chinese City

In Addition to Xingyuan Agreement

Phoslock Water Solutions Limited (ASX:PHK) is pleased to advise that the Company has just completed an important pilot project in a major inner city canal in Zhejiang province

Both PHOSLOCK and a nitrogen product were applied to this inner city canal. The project was undertaken on full commercial terms.

The project, in conjunction with a leading **Chinese Academy of Environmental Protection Science Design**, is the first completed application since Phoslock China was established.

This application has widespread implications, insofar as the successful application should, in due course, enable PHK to tender, either independently or with partners, for regional inner city canal water projects across China.

Further co-operation with the Chinese Academy in other cities is in process.

This application is separate from the recent announcement of an Agreement with the Shenzhen Stock Exchange-listed Xingyuan Environmental Technology Co Ltd, (XE) which covers working jointly on lake, river and canal remediation projects across China.

Preliminary work on the first project under the XE Agreement has already commenced, with the application of Phoslock to the water body due to take place around the end of June.



ASX Code: **PHK**

Share Price: **A\$0.078**

52 Week High: **A\$0.095**

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

Issued Shares: **268.9m**

Market Cap: **A\$21.0m**

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Phoslock BLOG on Water Issues:

www.phoslock.com.au



Application of Phoslock to inner city Chinese canal

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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 (including China), 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 (www.sepro.com) in the United States.

PHK recently signed an agreement with the Shenzhen Stock Exchange listed Xingyuan Environmental Technology Co Ltd, (www.xingyuan.com) which covers working jointly on lake, river and canal remediation projects across China.

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