

## ASX ANNOUNCEMENT

Monday 15<sup>th</sup> October, 2018

### Vesting Conditions achieved for 50 Million Performance Options

Phoslock Environmental Technologies Limited (ASX: PET) is pleased to advise that the vesting conditions for 30 million options issued to China Environmental Corporation (“CEC”) shareholders and 20 million options issued to Phoslock Beijing employees (“PBEE”) have been achieved.

The options were issued to CEC and PBEE on 10 April, 2017. The exercise price for each option is 10.5 cents. Both parties have advised PET that it is their intention to exercise all of their options within 30 days. Mr Zhigang Zhang, PET non-executive director directly owns 20 million options. The exercise of the CEC options will raise \$3,150,000 and the PBEE options raise a further \$2,100,000 in new equity for the Company.

Chairman Laurence Freedman AM stated: “Early vesting of the options is the result of the performance targets set in April 2017 being achieved nine months ahead of schedule. The \$5.25 million inflow is a substantial addition to working capital.”

**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  
Wentworth Place Group  
Phone: + 61 (02) 9199 8010  
Mob: 0416 233 145

ASX Code: **PET**  
Share Price: **A\$0.415**  
52 Week High: **A\$0.48**  
52 Week Low: **A\$0.18**  
Issued Shares: **497.2m**  
Market Cap: **A\$206m**

Address:

Suite 403  
25 Lime Street  
Sydney NSW 2000

Phone: +61 2 8014 7611  
Email: [enquiries@phoslock.com.au](mailto:enquiries@phoslock.com.au)

[www.phoslock.com.au](http://www.phoslock.com.au)  
[www.phoslock.eu](http://www.phoslock.eu)  
[www.phoslock.com.br](http://www.phoslock.com.br)  
[www.phoslock.cn](http://www.phoslock.cn)

PHK BLOG on Water Issues:  
[www.phoslock.com.au](http://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 impaired lakes, rivers, canals and drinking water reservoirs.

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

With the massive water remediation market in China, in 2017 Phoslock (Beijing) was formed. Our 100% owned subsidiary undertakes design, engineering, and implementation using remediation materials for rivers, canals, reservoirs and lakes along with construction of wetland areas. This is a significant broadening of the historical PET business and enables it to undertake a greater array of projects in China and elsewhere, supplying both services and materials.

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.

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 another important food source for the growth of harmful algae; and
- 2) Bacteria. - Certain types of bacteria can break down contaminants and organic matter that pollute water and cause human and water borne diseases.

PWS 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 biological solutions (such as nutrient consuming bacteria).

For more information on the company, recent news, and blogs please visit our website: [www.PHOSLOCK.com.au](http://www.PHOSLOCK.com.au)