



Phoslock Water Solutions Ltd.
ABN 88 099 555 290



ASX ANNOUNCEMENT

Thursday 28th October, 2010

Contract for German Lake Awarded

Phoslock's Joint Venture partner and licensee for Germany, Austria and Switzerland has secured a contract to the value of approx A\$450,000 for the application of Phoslock to a lake in Northern Germany. The application will take place next month.

The lake is a popular recreational lake which has been plagued in recent years with poor water quality caused by elevated phosphorus levels. Alum treatment, aeration and a variety of other measures have been attempted in past years to improve water quality in the lake, however none of these measures have been successful and the lake has remained closed to swimmers for the past four years due to high levels of blue green algae.

The decision to apply Phoslock to the lake was made by the local authorities after an independent expert was commissioned to evaluate the success of the measures that had been undertaken on the lake previously and review alternative restoration measures. The application will take place over approximately 5 days towards the end of November and is expected to generate considerable publicity in Northern Germany.

In addition to this treatment, two smaller treatments involving the application of 13 tonnes of Phoslock are also confirmed for smaller lakes in Eastern and Northern Germany during November and December. These three applications will bring the value of contracts for Phoslock applications in Germany to nearly A\$2.0m over the last three years.

The profile of Phoslock continues to grow in Germany with several additional applications in excess of A\$750,000 currently under consideration for 2011 & 2012.

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

Phoslock Websites: www.phoslock.com.au and www.phoslock.eu

2010 Annual Report available electronically in Investor section on www.phoslock.com.au

ASX Code: **PHK**
Share Price: **A\$0.076**
Issued Shares: **210.0m**
Market Cap: **A\$15.9m**
Unlisted Options: **5.4m**

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