



ASX Code: **PHK**

Share Price: **A\$0.20**

52 Week High: **A\$0.24**

52 Week Low: **A\$0.068**

Issued Shares: **415.1m**

Market Cap: **A\$83m**

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PHOSLOCK BLOG on Water
Issues: www.phoslock.com.au

ASX ANNOUNCEMENT

Wednesday 26th July, 2017

Fourfold increase in forecast FY2017/18 Sales

Key Points:

- Revised FY sales forecast to \$18.5 million, up 460% on previous year.
- New Changxing Factory commenced production
- Initial production capacity of 15,000 tons per annum

Phoslock Water Solutions Limited (PWS): (ASX: PHK) wishes to advise that, based on current and expected orders, the Group is revising up its forecast sales for Financial Year to 30th June 2018 to \$18.5 million, up 460% on the previous corresponding period.

Following the transformational change to its underlying business last year, new sales will come from a combination of materials, including traditional Phoslock, zeolites and new bacteria products as well as additional in-house engineering services.

Phoslock Beijing, the major driver of this growth, is now fully functional, and has 15 employees, comprising a broad range of skillsets including industrial chemists, engineers, project implementation production experts and technical sales specialists.

Furthermore, International PWS sales - excluding China, are also forecast to substantially grow in 2017/18 to \$6 million (up 50% on the previous year). PWS currently has major projects in Brazil, Canada, Europe and Australia.

Chairman Laurence Freedman AM stated: "The new Changxing Factory is now commencing production at a significantly increased rate to meet new demand from China and the rest of the world. New opportunities are being presented across all our geographic locations".

For more information please contact:

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ABOUT PHOSLOCK WATER SOLUTIONS LIMITED (PHK)

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

PHK is an engineering and treatment products for the water industry.

PHK recently formed a new company, Phoslock (Beijing) Environment Engineering Technology Co., Ltd to focus on both engineering solutions for water environment projects as well use of water remediation products such as Phoslock, zeolites and other solutions in China. Phoslock Beijing undertakes design, engineering, implementation and use of remediation materials for river, canal and lake projects in China. This is a significant broadening of the current PHK business base and will allow it to undertake a broader array of projects in China, supplying both services and materials.

PHK has a large multi purposes factory in Changxing, Zhejiang province, China, 150km inland from Shanghai which manufactures its patented technology, *PHOSLOCK*, along with a number of other water treatment products.

PHK is headquartered in Sydney, Australia and has offices in Brisbane, Beijing, Shanghai & Changxing, China and Bremen, Germany. PHK is represented by licensees, distributors and agents in ten other countries including SePRO Corporation in the United States; HidroScience in Brazil and Bentophos in Germany.

PHK has signed six marketing and co-operation agreements in China with a number of environmental companies, including BHZQ, which is 70% owned by BEWG (Beijing Enterprises Water Group Limited; HK Listed 371)

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.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

PHK produces *PHOSLOCK*, a patented technology 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.

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 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 in the USA and Canada.



PHOSLOCK has been certified by Chinese Research Academy of Environmental Sciences (CRAES). *PHOSLOCK* is classified as a general environmental substance. It is neither hazardous nor harmful to the environment. *PHOSLOCK* has low risk to hydro ecological system.



PHOSLOCK has been used on many of high profile water bodies in Europe/UK, North America and Australia. To date over 300 initial and follow-up applications have been successfully made.

Over 50 peer reviewed scientific and technical papers, have been published on *PHOSLOCK* in leading scientific journals. For access: www.PHOSLOCK.com.au