

ASX ANNOUNCEMENT

Monday 17th September, 2018

Business Update

Phoslock Environmental Technologies Limited (ASX: PET) is pleased to provide an update on its businesses.

China

Work on a second wetland project in south Beijing has commenced. This project involves the movement of over 60,000 tons of materials via rail and over 2,000 truck movements to the site. As with the first wetland project, this is a huge logistical and project management exercise.

This new wetland project has a value of ~ \$7m and is expected to be completed by November.

Work continues on the Beijing canals, using a combination of Phoslock, zeolites and bacterial agents to improve and maintain the water quality.

The results from bacterial applications have been outstanding - See below *photos of the same section of the Beijing canal over the past six months.*

The Beijing Sales & Engineering Division now has 25 professional employees. In addition to the Beijing projects, the team is engaged on a number of large engineering and environmental projects expected to result in significant sales over the next eight months.

International

Our International team have submitted pricing for three large projects in Europe, North America and North East Asia. Decisions on these projects are expected in the next few months

PET is in the final stages of acquiring the 40% of Phoslock Europe GmbH (PE) it does not already own from our German partner, IDN. PET will continue to maintain a close working relationship with IDN.

Chairman Laurence Freedman AM commented: "All aspects of the business continue to expand and more countries are now becoming aware of the enormous impact that Phoslock Environmental Technologies provides. We expect to be adding more projects, at various locations, as the year progresses".

ASX Code: **PET**
Share Price: **A\$0.405**

52 Week High: **A\$0.48**
52 Week Low: **A\$0.18**

Issued Shares: **497.2m**

Market Cap: **A\$201m**

Address:

Suite 403
25 Lime Street
Sydney NSW 2000

Phone: +61 2 8014 7611
Email: enquiries@phoslock.com.au

www.phoslock.com.au
www.phoslock.eu
www.phoslock.com.br
www.phoslock.cn

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



Beijing Canal – photo taken in late March.2018



Beijing Canal – photo taken on 11 September, 2018

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

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*, PWS 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