

ASX Code: **PET**

Share Price: **A\$0.45**

## ASX ANNOUNCEMENT

Thursday 23<sup>rd</sup> May 2019

### Extensive treatment initiated on very large Chinese lake

#### Key Points:

- Excellent trial results; extensive application commenced.
- First monthly application +/- \$1m of Phoslock.
- Expect monthly applications of +/- \$1m of Phoslock.
- Lake is 34 square kilometres.
- Factory production capacity under review.

Phoslock Environmental Technologies Limited (ASX: PET) is pleased to advise that the results from the trial application to an exceptionally heavily polluted lake in South West China, resulted in a 75% reduction of phosphorus, over the first four days of the application. The results also demonstrated to government authorities that Phoslock was simple to apply and the application had no effect on fish, plant life and humans.

As a result of the excellent trial results, an initial order of +/- \$1 million worth of Phoslock is currently being applied to a section of the lake. Authorities will review the results in early June, when it is anticipated approval will be given to apply similar monthly dosages thereafter.

This lake is 34 square kilometres in area, approximately 2/3 the size of Sydney Harbour.

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

52 Week Low: **A\$0.30**

Issued Shares: **542.0m**

Market Cap: **A\$244m**

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PET BLOG on Water Issues:

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



There are nine Very Large Lakes in the area, comprising the **South West China Lakes Project Area**, all with major water pollution problems. Both the Provincial and Central Chinese governments are urgently seeking to restore the water quality of these lakes to boost tourist and economic development.

PET is currently reviewing the production rate of Phoslock at its Changxing factory to meet expected demand for several larger projects, both in China and Internationally.

Chairman Laurence Freedman AM stated *“This is another milestone in the developing growth of Phoslock the material and PET the Company. These lakes are so large that they cannot be treated in a single application. Therefore, we will apply Phoslock progressively, which is likely to take some years. This is the first application of the first lake in this area, at a current rate of application of about \$1 million per month. This rate could change and so could the number of lakes treated, not only in this particular area, but across China – and Internationally. Thus we are anticipating a growing monthly income from these very large water bodies, independent of all other sources of income”*.

Drone video of the application is available on the home page of [www.phoslock.com.au](http://www.phoslock.com.au)

### **Chinese Ministry of Ecology and Environment Certification of *Phoslock* ®**

The office of “**Major Science and Technology Program for Water Pollution Control and Treatment**”, which is under the Chinese **Ministry of Ecology and Environment** has listed *Phoslock* ® publicly as an effective and efficient product/technology to remove phosphorus in water.

This is an important nationwide endorsement of *Phoslock* ® in China, as *Phoslock* ® has now been classified as a water pollution control product approved by the Chinese Ministry of Ecology and Environment.

**Mr. Laurence Freedman AM**  
Chairman

**Mr. Robert Schuitema**  
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## PHOSLOCK ENVIRONMENTAL TECHNOLOGIES LIMITED (PET)

**Phoslock Environmental Technologies Limited is listed on the Australian Stock Exchange (ASX Code: PET). PET is included in the ASX All Ordinaries Index.**

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. PET is represented by licensees, distributors and agents in ten other countries including SePRO Corporation in the United States and HidroScience in Brazil. PET 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 us 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 which 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 for 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. As with phosphorus, 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 which pollute water and cause water borne diseases.

PET 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).

The Changxing Factory has recently obtained three important certifications, from TUV Rhineland, a major European testing agency:

- ISO 900: Quality Control and Documentation of all procedures meets International Standards;
- ISO 14000: Environmental Management Standards Certification;
- OSHA 18000: Health and Safety Management Systems

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