



16 NOVEMBER 2021

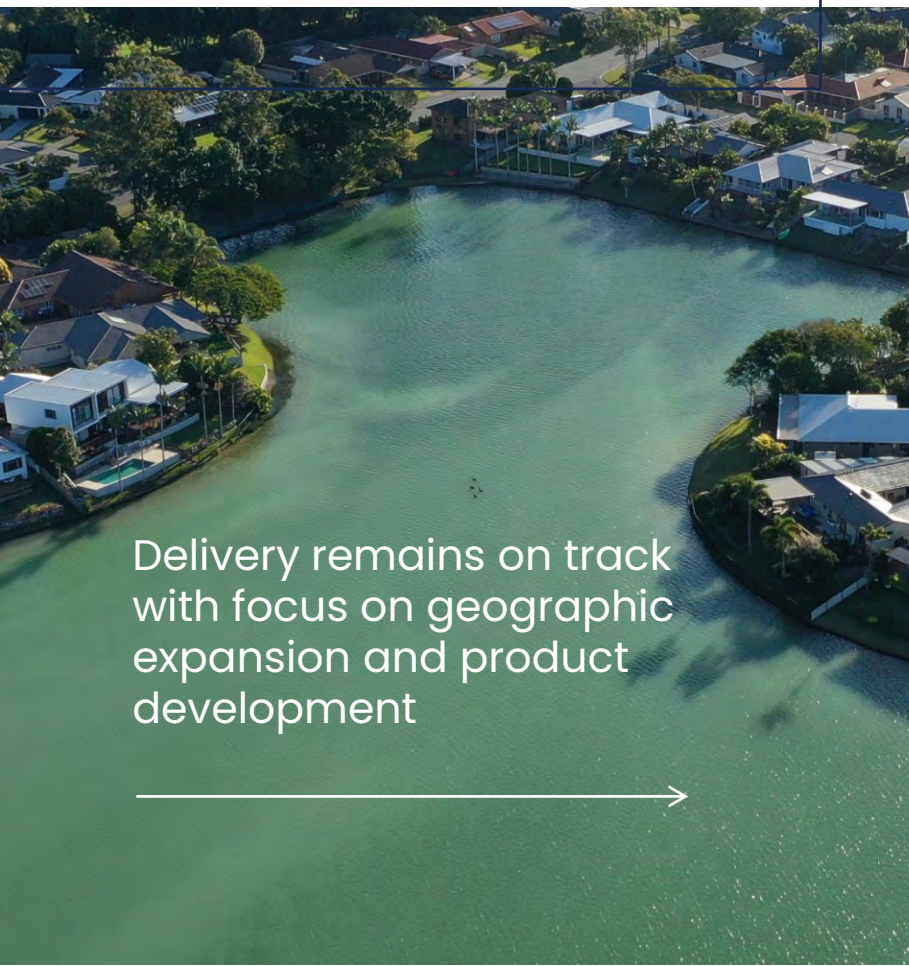
# November 2021 Business Update

World leaders in water remediation



# Strategy progress over last 12 months

Delivery remains on track  
with focus on geographic  
expansion and product  
development



Reset stable,  
restructured business  
platform in China



Accelerated geographic  
commercialisation



Board renewal process



Resume trading on ASX



A more balanced  
geographic exposure



Manufacturing review  
and decision on new  
plant location



Appoint commercial  
leads.....



R&D review



Improved reporting;  
expand commercial  
resources; manufacturing  
/ supply chain efficiencies



Canadian product  
registration review



Focused R&D investment  
to deliver new products /  
services



Deliver revenue growth  
and return company to  
sustainable profitability



## Canada

Significant resources deployed and generating good demand, but regulatory position remains complex and slow to resolve

Delays due to COVID and elections

Projects ready to start in Quebec, Ontario and Alberta – R&D permit as interim step unlikely in short term

## USA

Distribution expansion discussions progressed – further announcement soon

Strong leads emerging with previously untapped customers

## Europe

Kralingse Plas (Rotterdam) application 50% complete, significant promotion and media coverage – COVID watch

Application at Lyngsø Lake in Silkeborg, Denmark will be invoiced end 2021 / applied early 2022

New Commercial Lead in place, generating positive leads

Several western Europe projects planned, including newer Spain and France markets

## China

New General Manager commenced

8 projects completed (end October 21) of 22 currently contracted across various provinces

## South America

Solid progress in Brazil despite COVID and freight issues hampering current sales

Opportunities in other South American countries opening up

## Australia & NZ

Completed works in Western Australia and Queensland

City of Auckland application on hold due to COVID

Strong projects developing in both countries, with NZ distributor, sales agent, applicators and public relations support appointed

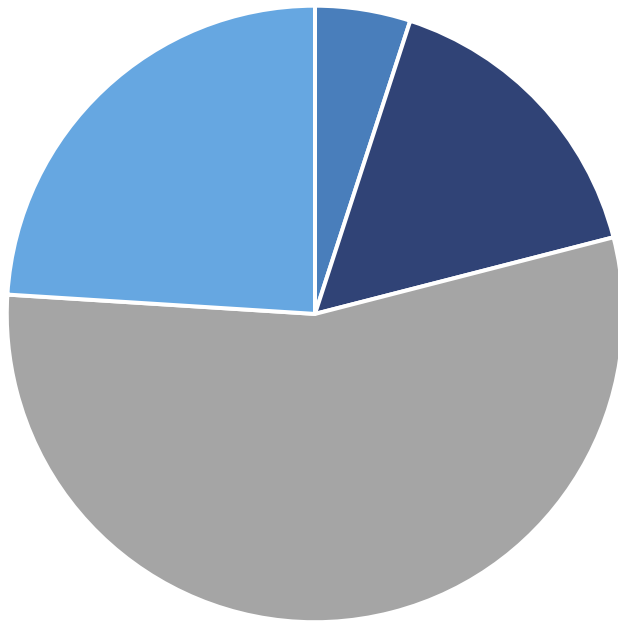
# Current and prospective activity



# 2021 project status summary – updated

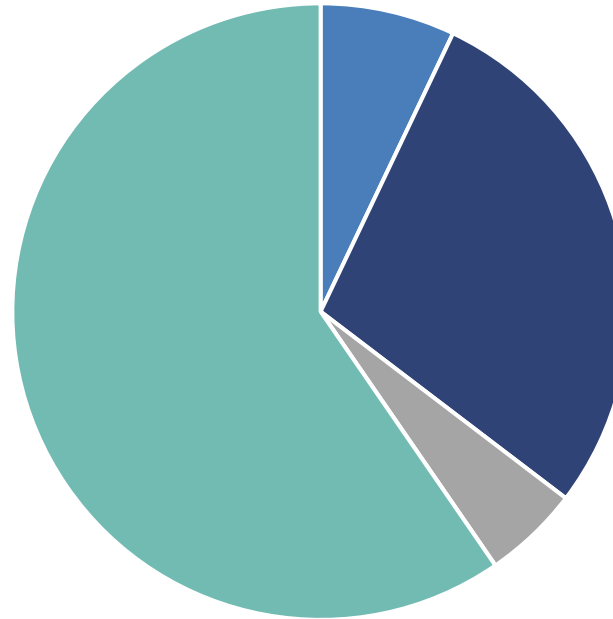


Contracted sales<sup>1</sup>



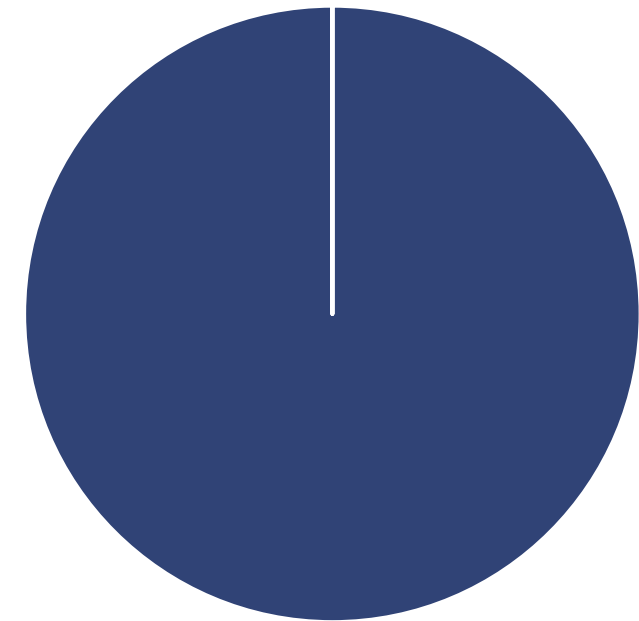
63% of forecast tonnes

Heads of agreement<sup>1</sup>



18% of forecast tonnes

High probability<sup>1</sup>



19% of forecast tonnes

■ ANZ   ■ China   ■ Europe   ■ South America   ■ United States

<sup>1</sup>As at November 2021





# Growth Strategy Key Drivers

PET is building a platform of sustainable and profitable growth by **expanding market access across multiple geographies and products**. In support of that strategy, the company has undertaken reviews across key areas of the business.

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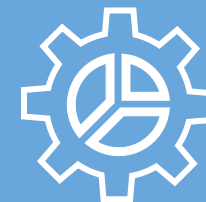
People,  
Performance &  
Culture



Research &  
Development



Manufacturing  
& Supply Chain



# Focused R&D program

## Priority new growth opportunities

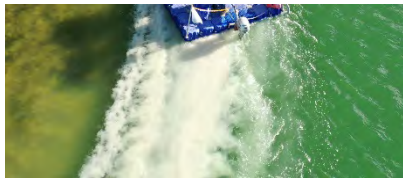
### R&D Rapid Review

- Scored and ranked more than 30 R&D projects
- Prioritised 5 within the portfolio to address key customer drivers – further work on flowing water phosphorus capture
- Hiring for new Group Executive Product Solutions role – recruitment continuing
- Initiated new research collaboration with a leading university – university engaged; PhD projects shortlisted

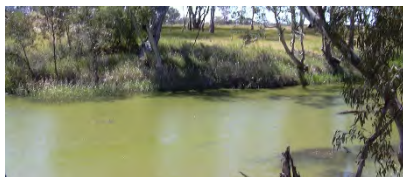
### Core

2 projects to enhance Phoslock effectiveness, affordability and ease of use and expand to new / underserved markets

Phoslock Enhancement



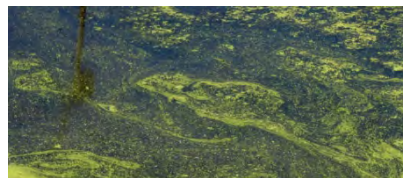
Phoslock Market Expansion



### Adjacent

1 project to cross-sell products and services that address a key customer pain-point – harmful algal blooms.

Mechanical Restoration Remedies



### Transformative

2 projects that, if successful, would enable phosphorous and other nutrients to be removed from flowing water.

ZEEP



New Technology Contaminant Binder



# Manufacturing review update

## **A review to determine preferred location options for a second manufacturing plant is nearing completion.**

- The review considered :
  - Site and plant establishment costs
  - Raw material access, as a key cost driver
  - Customer transportation requirements
  - Potential government incentives and tariff implications
  - Other supply chain risks
- Short list of options has been completed and was presented to the Board in October 2021
- A final decision is now expected toward the end of December 2021
- Potential site inspections currently underway

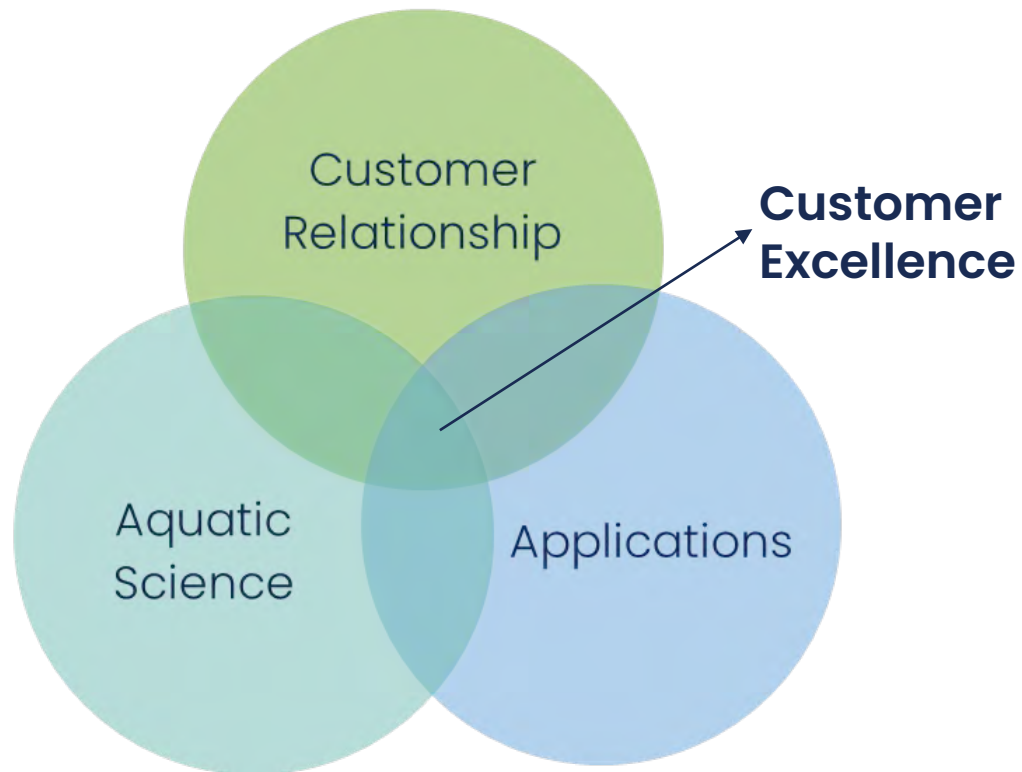


**Phoslock** is currently manufactured in an ISO compliant factory in Changxing, China



# People, Performance & Culture review update

Capability Culture Networks Structure



## Restructure of business to align with growth strategy is progressing

-  Damian Whelan, Commercial Lead Europe commenced October 2021; Nigel Traill appointed CEO of Limnological Solutions International but still highly active
-  Viktor (Xiaoming) Li, General Manager China commenced October 2021
-  Dr Kate Waters-Hart appointed as Group Manager Aquatic Science, to commence role in early 2022
- Multiple initiatives underway to underpin culture, operating structures and business engagement
- Recruitment underway for R&D Lead
- Connecting the team globally via appropriately designed supporting structures
- HSE management process upgraded







# Strategy implementation is delivering



**Business is returning to  
more normalised  
activities** →

## Positive growth outlook

Successful trial work ongoing and being reviewed by prospective customers

Consistent & strong leads on new projects

Business structure in place or in process to capitalise on the opportunity

Focused expansion into existing and new target geographies

Increased opportunities as COVID-19 impacts recede –

Addressable market continues to grow due to increasing challenge of addressing water quality issues

Refined brand and marketing approach to better support business & portfolio growth

## Strong funding position

Cash / cash equivalents  
(as at 31 October 2021)  
\$22,845,000

Debt free

Abnormal costs associated with China investigations and audit reducing in FY2021 but higher than normal

Lower fixed cost base following review of overheads



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