



ASX Code: **PHK**

Share Price: **A\$0.031**

52 Week High: **A\$0.073**

52 Week Low: **A\$0.025**

Issued Shares: **248.0m**

Market Cap: **A\$7.7m**

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## ASX ANNOUNCEMENT

Friday 19<sup>th</sup> June, 2015

### \$1.0 million Convertible Security Funding

On 23 March, 2015, Phoslock Water Solutions Limited (ASX: PHK) announced that it had raised A\$1,000,000 in funds through the issue of a Convertible Security to The Australian Special Opportunity Fund, LP, a New York-based institutional investor, managed by The Lind Partners, LLC (together, "Lind").

PHK issued Lind an A\$1,150,000 Convertible Security. PHK will make 15 monthly repayments of \$76,667 in either shares or cash (at PHK's option). Lind has the right to have the Security repaid early by converting the balance of the Convertible Security at any time after 20 June, 2015 into PHK shares.

In the 23 March, 2015 announcement PHK stated that the conversion price was based on the 5 day VWAP price at the time of purchase. PHK wishes to clarify that "at the time of purchase" means the pricing formula in March 2015 and includes a 130% premium.

Hence the conversion price that Lind can use for early repayment of the remaining balance of the Convertible Security (estimated at \$920,000 after June monthly repayment) is **7.1 cents per PHK share**. In the unlikely event that an event of default was triggered and not remedied, the pricing of the outstanding balance of the Convertible Security at that time, would be based on 90% of the lowest 5 day PHK VWAP's over the 20 days preceding the event of default.

**For more information please contact:**

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## ABOUT PHOSLOCK WATER SOLUTIONS LIMITED (PHK)

PHK produces *Phoslock*, a patented technology which was developed by the Australian government scientific body, Commonwealth Scientific and Industrial Research Organisation (“CSIRO”). PHK has lodged a subsequent patent to protect the core Phoslock technology which is in an advanced stage of being granted in approx. 50 countries, extending the core *Phoslock* technology to the year 2033.

Phoslock removes phosphorus and harmful contaminants and has been applied in over 250 water bodies and used in over 20 countries since it was commercialised in 2005.

PHK is headquartered in Sydney, Australia and has offices in Brisbane, Sichuan, China and European Operations (covering Europe, Central & South America) near Bremen, northern Germany. PHK is represented by licensees and agents in ten other countries including SePRO Corporation in the United States.

*Phoslock* is a certified NSF/ANSI Standard 60 product - North American Drinking Water (see websites [ansi.org](http://ansi.org) and [scc.ca](http://scc.ca)).



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

For more information about Phoslock Water Solutions and *Phoslock* please visit [www.phoslock.com.au](http://www.phoslock.com.au) or [www.phoslock.eu](http://www.phoslock.eu) (Spanish, Italian, Dutch and German) or [www.phoslock.com.br](http://www.phoslock.com.br) (Portuguese) or [www.phoslock.com.cn](http://www.phoslock.com.cn) (Chinese)

## ABOUT PHOSLOCK – the Product

*Phoslock* is a unique water treatment product that binds phosphorus from a water body and provides a protective permeable layer to sediments preventing the re-release of phosphorus. Retention of phosphorus deprives algae of nutrients, which improves water quality 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 high value 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 approved for use in North American Drinking Water Reservoirs via NSF/ANSI Standard 60 Certification. This certifies that *Phoslock* is safe for use in drinking water.

*Phoslock* has been used on a number of high profile water bodies in Europe/UK, North America and Australia.

Over 30 peer reviewed technical papers, authored by leading academics, have been published in leading scientific journals on *Phoslock*.