

ASX ANNOUNCEMENT

Monday 31st August, 2015

New Chinese Factory delivers significant production, increased capability and cost savings

Phoslock Water Solutions Limited (ASX: PHK) advises that its new manufacturing facility in Sichuan, China is delivering significant manufacturing and distribution cost savings.

The new facility has been upgraded in production capability since PHK first commenced production there in mid 2014. There is scope to further significantly increase production at short notice in anticipation of increased international demand for the product.



ASX Code: PHK

Share Price: A\$0.024

52 Week High: A\$0.073 52 Week Low: A\$0.022

Issued Shares: 254.2m

Market Cap: A\$6.1m

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Phoslock product from the new manufacturing facility has been tested and approved by external testing authorities to ensure that it meets quality specifications, including North American Drinking Water approval, NSF60, which authorises it to be used in water which is consumed by humans.



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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 and 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 or www.phoslock.com.au (Spanish, Italian, Dutch and German) or 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*.