

ASX ANNOUNCEMENT

Monday 20th June, 2016

Allotment of 18.9 million new PHK Ordinary Shares

Notice under Section 708(A)(5)(e)

Notice is hereby given pursuant to Section 708A (5) (e) of the Corporations Act 2001 (Cwlth) ("Act"), that Phoslock Water Solutions Limited ("Company") issued 18,874,286 fully paid ordinary shares in the capital of the Company at an issue price of 7 cents per share (New Shares) to institutional, sophisticated and professional investors as approved by shareholders at the General Meeting of the company on 20 June, 2016. The issue of the New Shares completes the placement announced to the ASX on 4 May, 2016.

The Company gives notice under paragraph (5) (e) of Section 708A to confirm that:

- 1. The Company issued the above shares without disclosure to the relevant parties under Part 6D.2 of the Act.
- 2. As at the date of this notice, the Company has complied with:
 - a. The provisions of Chapter 2M of the Act (as applied to the Company); and
 - b. Section 674 of the Act.
- 3. At the date of this notice there is no excluded information (as defined in paragraph (7) of Section 708A of the Act) which is required to be disclosed by the Company.

Yours faithfully,

Robert Schuitema Company Secretary

Mr Laurence Freedman, AM Chairman

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For more information please contact:

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ASX Code: PHK

Share Price: A\$0.074

52 Week High: **A\$0.095** 52 Week Low: **A\$0.022**

Issued Shares: 362.9m

Market Cap: A\$26.8M

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

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

Mr Robert Schuitema Managing Director

Phone: +61 (02) 8014 7611

PHOSLOCK WATER SOLUTIONS LIMITED (PHK)

PHK produces *PHOSLOCK*, a patented technology which was developed by the Commonwealth Scientific and Industrial Research Organisation ("CSIRO"). PHK has lodged a subsequent patent application to protect the core PHOSLOCK technology which is in an advanced stage of being granted in approx. 50 countries, with the intention of extending the core *PHOSLOCK* technology until 2033.

PHK is headquartered in Sydney, Australia and has offices in Brisbane, Shanghai & Sichuan, China and Bremen, Germany covering Europe and South America. PHK is represented by licensees, distributors and agents in ten other countries including SePRO Corporation (www.sepro.com) in the United States and HidroScience in Brazil.

PHK recently signed an agreement with the Shenzhen Stock Exchange listed Xingyuan Environmental Technology Co Ltd, (www.xingyuan.com) which covers working jointly on lake, river and canal remediation projects across China.

PHOSLOCK is a certified NSF/ANSI Standard 60 product - North American Drinking Water (see websites ansi.org and scc.ca). This certification enables *PHOSLOCK* to be applied to water bodies used for human consumption.



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

For more information about Phoslock Water Solutions and *PHOSLOCK* please visit our websites: www.phoslock.com.au or www.phoslock.com.br (Portuguese) or www.phoslock.com.cn (Chinese).

PHOSLOCK BLOG on PHOSLOCK news and current Water Issues – see www.phoslock.com.au and look for PHOSLOCK BLOG icon in top right corner of the Home Page.

ABOUT *PHOSLOCK* – the Product

PHOSLOCK is a unique water treatment product that binds phosphorus in water bodies such as lakes and dams. It provides a protective permeable layer to sediments, permanently preventing the re-release of phosphorus.

Retention of phosphorus reduces the level of algae by depriving it of nutrients. This in turn improves water quality, both 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 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 many of high profile water bodies in Europe/UK, North America and Australia. To date over 250 initial and follow-up applications have been successfully made.

Over 40 peer reviewed scientific and technical papers, have been published on *PHOSLOCK* in leading scientific journals. For access: www.phoslock.com.au