

MARKET RELEASE

2 September 2010

Phoslock Water Solutions Limited

TRADING HALT

The securities of Phoslock Water Solutions Limited (the "Company") will be placed in pre-open at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in pre-open until the earlier of the commencement of normal trading on Monday, 6 September 2010 or when the announcement is released to the market.

Security Code: PHK

Emma Badhni Senior Adviser, Issuers (Sydney)



2nd September, 2010

Australian Securities Exchange 20 Bridge Street Sydney NSW 2000

Dear Sir/ Madam,

Phoslock Water Solutions Limited (ASX Code: PHK) Request for Trading Halt

Phoslock Water Solutions Ltd (ABN 88 099 555 290) (**PWS**) requests that an immediate **trading halt** be granted by the Australian Securities Exchange (**ASX**) with respect to its ordinary shares.

In accordance with ASX Listing Rules 17.1, I advise as follows:

- PWS wishes the trading halt to last from the opening of the markets on Thursday 2nd September, 2010 until the opening of the market on Monday 6th September, 2010.
- The purpose of the trading halt is to allow the Company to complete a material capital raising.
- PWS is not aware of any reason why the trading halt should not be granted or any other information necessary to inform the market about the requested trading halt.

Yours faithfully,

Mr Robert Schuitema

CEO & Managing Director Phoslock Water Solutions Limited

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