



**Phoslock Water Solutions Ltd.**  
**ABN 88 099 555 290**



## ASX ANNOUNCEMENT

Thursday 27<sup>th</sup> January, 2011.

### Major US Distribution Agreement Signed with Leading Algae Management Company

#### Key Points:

- **Distribution Agreement signed with SePRO - US industry leader for algae management**
- **Distribution Agreement provides access to over 160 Accredited Applicator companies throughout US**
- **5 year Distribution Agreement with large annual purchase obligations**
- **Contract requires significant initial order**

Phoslock Water Solutions (PWS) has signed a major Distribution Agreement covering all states of the United States with SePRO Corporation (SePRO), the industry leader in North America in the arena of weed and algae management in lakes, rivers, streams, reservoirs and storm water containment ponds. SePRO currently provides and supports a full line of aquatic plant and algae management products (25). Phoslock will be added to this product line as an environmentally friendly phosphorus absorber, and as a sediment capping agent to significantly reduce the re-release of phosphorus.

The Distribution Agreement is for an initial 5 year period and includes large annual purchase obligations by SePRO. The Contract with SePRO requires a significant initial order. It is intended that Phoslock will be sold both as a standalone product used in conjunction with SePRO products and also potentially formulated in other SePRO products. A second Distribution Agreement covering Aquaculture and Retail Products with SePRO for the United States market is currently being finalised.

PWS General Manager for North America, Mr Eddie Edmunds said SePRO was a great fit for Phoslock. The SePRO Aquatics Team is made up of 13 Aquatics Specialists who have all been trained in the science of aquatic plant and algae management. The SePRO sales team supports a network of over 160 accredited applicator companies spread throughout the United States. The accredited applicators maintain strong local relationships with the lake management companies, lake associations, state and federal water body organisations and aquatic management companies.

#### For more information please contact:

Mr Robert Schuitema; Managing Director - (02) 9439 7715

ASX Code: **PHK**

Share Price: **A\$0.071**

52 Week High: **A\$0.12**

52 Week Low: **A\$0.054**

Issued Shares: **212.9m**

Market Cap: **A\$15.1m**

Unlisted Options: **0.3m**

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## **ABOUT SePRO**

SePRO Corporation (SePRO) is based in Indiana, United States. SePRO's key business segments include the US Aquatics Industry, Greenhouse/Nursery markets and Professional Turf/Landscape Management.

SePRO is the industry leader in North America in the arena of Weed and Algae management in lakes, rivers, streams, reservoirs and storm water containment ponds. SePRO currently supports a full line of aquatic herbicides and algaecides (25 products) and is very involved in the field of aquatic plant and algae management.

The Aquatic Business Unit is SePRO's largest division. SePRO has sustained quality relationships and partnerships with the largest lake and pond management firms throughout the US. SePRO has an extensive network of customers in the water resource management field that include professional aquatic applicators, lake management firms, engineering companies, water companies, lake associations, individual pond owners, and government agencies. SePRO is a member of, and holds leadership positions in, several trade associations and professional societies related to water management.

For more information of SePRO Corporation, its products, services and technologies please visit the SePRO website at [sepro.com](http://sepro.com)

## **ABOUT PHOSLOCK WATER SOLUTIONS LIMITED (PWS)**

PWS has worldwide exclusivity for the sale and marketing of Phoslock, a technology developed by the Australian government scientific body CSIRO. Phoslock removes phosphorus and harmful contaminants and has been applied in over 200 water bodies and used in over 20 countries since it was commercialised in 2005.

PWS is headquartered in Sydney, Australia and has offices in Kunming, China and European Operations (covering 16 countries) in Bremen, northern Germany. Phoslock is represented by licensees and agents in ten other countries.

PWS is listed on the Australian Stock Exchange (ASX Code: PHK).

For more information about Phoslock Water Solutions visit [www.phoslock.com.au](http://www.phoslock.com.au) or [www.phoslock.eu](http://www.phoslock.eu)

## **ABOUT PHOSLOCK – the Product**

Phoslock is a unique water treatment product that locks in 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 also absorbs other harmful contaminants including arsenic, vanadium, boron and selenium.

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 being adopted by the aquaculture industry (fish and shrimp/prawn) to control phosphorus levels in growing ponds and eliminate HAB and blue green algae which could create taste issues.