



Phoslock Water Solutions Ltd.
ABN 88 099 555 290



ASX ANNOUNCEMENT

Wednesday 29th June, 2011.

Major European Sales

Key Points:

- **European operation posts record month with over \$800,000 in sales**
- **Sales momentum continues to build in key European markets**
- **FY2010/11 sales to show solid increase over previous year**

Phoslock Water Solutions Limited (ASX:PWS) is pleased to announce excellent recent sales performance from its European operations. Sales for the month of June out of Europe exceeded \$800,000, which was a record result.

Encouragingly, orders received were spread across a number of key European markets including Finland, Netherlands and Germany. These projects are scheduled to be executed in the second half of the 2011 calendar year.

Phoslock has been applied to more than 30 lakes in Europe over the past 4 years. Strong growth is expected to continue with the number of lakes treated with Phoslock is expected to exceed 40 by the end of the year.

Importantly, the product has now become a well recognized and accepted measure for phosphorus immobilization and eutrophication control in many of the major European markets. This improvement in profile together with increased industry acceptance, underpins our confidence in the company's significant potential.

Phoslock's Managing Director Mr Robert Schuitema commented:

"Phoslock is making significant strides in the European market. Recent sales results in the region have been outstanding and our project pipeline is robust. We expect a number of decisions to be made over the coming months and believe we are well positioned to win a number of key contracts."

"Sales momentum across the entire business is trending upwards and looking increasingly encouraging. This will be reflected in year on year sales growth for the FY2011 year."

ASX Code:	PHK
Share Price:	A\$0.07
52 Week High:	A\$0.105
52 Week Low:	A\$0.051
Issued Shares:	212.9m
Market Cap:	A\$14.9m
Unlisted Options:	0.3m

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For more information please contact:

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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 grow-out ponds and eliminate HAB and blue green algae which could create taste issues.

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 Brisbane, Kunming, China and European Operations (covering 16 countries) near 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 or www.phoslock.eu

PHOSLOCK DIRECTORS

Mr Laurence Freedman AM Non-Executive Chairman

Mr Freedman was appointed a Director of PWS in October, 2010 and became its Chairman in March 2011.

Mr Freedman has a long history of involvement and expertise in public companies with international trading and investment activities. He began his career with the Gold Fields Group: initially an analyst, he rose to Director of Group companies. He later joined BT Australia as Manager, Investments.

In 1980 he founded Equitilink Limited, an investment management group which he grew to a global company with operations around the world and over \$3 billion under management. He held Chairman and/or Director positions in a number of public and private companies in Australia, the United States, the United Kingdom, Canada, New Zealand and Taiwan.

He was a member of the syndicate which bought the Ten Network, of which he became a director, taking it out of receivership and helping to make it the most profitable media network in Australia for some years.

In 2000 he sold the Equitilink Group and in 2004 sold out of the Ten Group.

He currently manages his private investment portfolio of international shares, property and fixed income securities. He is a mentor to a number of resource, biotech and technology companies.

He is Chairman of The Freedman Foundation, a philanthropic foundation funded by the Freedman family, which assists and supports young Australians in many areas of endeavour. The Foundation also finances a broad range of medical and scientific programs and organizations.

In 2001 he was awarded The Order of Australia for service to the community, to medical research, the arts, and to business and investment in Australia.

He is also Chairman of Carrick Gold Limited and Condor Metals Limited.

Mr Robert Schuitema *BCA, CA, INFINTZ* **Managing Director and Company Secretary**

Mr Schuitema was appointed a Director of PWS in April 2005, and shortly thereafter assumed the role of Executive Chairman. In January 2007, he took over the role of fulltime Managing Director, and at the same time stepped down as Chairman.

Mr Schuitema brings to PWS a wide range of business and commercial skills. In addition to the day to day responsibilities of running PWS businesses globally, he is responsible for investor relations, stock exchange listing and capital raisings. Mr Schuitema is also a Director of PWS' Joint Venture manufacturing company in China, IETC.

Mr Schuitema is a former Managing Director of investment bank Chase Manhattan Bank and later JPMorgan Chase where he was global co-head of the Mining & Metals group and responsible for the Asia-Pacific region and also had extensive involvement in the bank's southern Africa business. He has extensive experience in a range of investment banking disciplines including commodity derivatives, equity issues, project finance for standalone projects, US\$ bond issues, trade finance, acquisition finance and mergers & acquisition advise.

Mr Schuitema is a Director of ASX listed companies Carrick Gold Limited and Condor Metals Limited and previously a Director of Electro-Optical Systems Limited.

Honorable Pam Allan

BA (Hons), Dip Ed (Syd) Honours in Government

Non-Executive Director

The Hon. Pam Allan was appointed a Director of PWS in July 2007.

The Hon. Pam Allan is a former Member of the NSW Parliament for 18 years (retired in March 2007) where she was Minister of Environment (1995-99) and chair of a number of parliamentary committees including Salinity and Resource Management.

The Hon. Pam Allan was elected to the Parramatta City Council in 1983, serving a four year term. In 1988 she was elected to the New South Wales Legislative Assembly for Wentworthville and then for Blacktown in 1991 and 1995. In 1999 and 2003 she was once again elected the Assembly's member for Wentworthville.

The Hon. Pam Allan became the Shadow Minister Planning & Environment 1988-1995, Minister of Environment 1995-1999, Chair for Select Committee on Salinity 2000-2002, the Chair, Standing Committee on Natural Resource Management from May 2003. She retired as the member for Wentworthville at the March 2007 election.

The Hon. Pam Allan currently serves on a number of local government bodies and authorities.