

17 May, 2017

ASX Compliance Pty Limited
20 Bridge Street
Sydney NSW 2000

Notice of General Meeting dated 15 May, 2017

At the forthcoming General Meeting of the Company, shareholders will be asked to approve, among other things, the issue of a number of Performance Options to China Environmental Corporation (Australia) Pty Ltd (or its nominee) and certain employees of, and consultants to, the Company and its subsidiaries in China and elsewhere.

All Performance Options have significant sales or profitability performance criteria which must be met before those Performance Options can vest and be exercised.

Unfortunately, the Performance Option sales and net profit performance criteria period set out in the Explanatory Memorandum accompanying the Notice of General Meeting contains a typographical error. The start date of the performance criteria period to achieve the requisite sales or net profit is shorter commencing on 10 April, 2017 and not 10 April, 2016. The finish date of the performance criteria period remains the same namely, 30 June, 2019 unless the performance criteria is met earlier.

Yours sincerely,



Robert Schuitema
Company Secretary
Phoslock Water Solutions Limited