



## ASX Announcement

21st September 2020

### Market Update – China accounting irregularities; audit investigation ongoing

Phoslock Environmental Technologies (ASX:PET) wishes to advise that an ongoing independent investigation initiated by the Chairman and Managing Director has revealed certain accounting irregularities relating to PET's China Operations.

The investigation, being undertaken by KPMG's forensic accounting division, follows suspected accounting irregularities discovered during the audit process for the half year ended 30 June 2020.

The company will seek to leave the current voluntary suspension of trading in place until the investigation and resulting KPMG report is completed and the impact of any irregularities is quantified.

Further updates will be provided, via the ASX, in due course.

*This announcement has been approved by the Chairman and Managing Director*

**Matthew Parker**  
Company Secretary

**For more information please contact:**

**Mr Lachlan McKinnon** – Managing Director and CEO, Phone: +61 (03) 9110 0002

**Mr Michael Kotowicz** – Investor Relations; Phone: + 61 (02) 9199 8010 / Mob: 0416 233 145

### ABOUT PHOSLOCK ENVIRONMENTAL TECHNOLOGIES LIMITED (PET)

Phoslock Environmental Technologies Limited (ASX: PET) specialises in engineering solutions and water treatment products to remediate polluted lakes, rivers, canals and drinking water reservoirs.

Headquartered in Melbourne, PET has offices in Brisbane, Beijing and Manchester and manufacturing operations based in Changxing, China. PET is represented by licensees, distributors, and agents in ten other countries including SePRO Corporation in the United States and HidroScience in Brazil.

Phoslock® is a proprietary and unique water treatment product that permanently binds excess phosphorus in the water column and sediments, inhibiting the growth of Harmful Algal Blooms (HAB).

Phoslock® is certified to be used in drinking water in North America, Europe, Brazil, Australia and China. Along with Phoslock®, PET also supplies zeolites and specialised strains of bacteria that address water pollution issues.

For more information visit [www.phoslock.com.au](http://www.phoslock.com.au)

ASX Code: **PET**

Share Price: **A\$0.245**

52 Week High: **A\$1.43**

52 Week Low: **A\$0.19**

Issued Shares: **625.0m**

Market Cap: **A\$153m**

Address:

Level 16, 1 Collins St  
Melbourne, Vic, 3000

Phone: +61 3 9110 0002

Email: [ir@phoslock.com.au](mailto:ir@phoslock.com.au)

[www.phoslock.com.au](http://www.phoslock.com.au)

[www.phoslock.eu](http://www.phoslock.eu)

[www.phoslock.com.br](http://www.phoslock.com.br)

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