

## Company announcement

Release date 23 April 2026

# March 2026 Quarterly Activities Report and Appendix 4C

### *Financial*

The Company's cash position on 31 March was \$4.3 million, down \$892,000 during the quarter.

The cashflow deficit from operating activities in the March quarter was \$776,000, better than the deficit of \$953,000 recorded in the March Quarter 2025. While sales receipts were lower, net operating outlays fell by a larger amount.

Net operating outlays of \$1,242,000 included payments of \$282,000 for legal fees, offset by \$274,000 in reimbursements from AXA Insurance.

### *Quarterly cash flow data (\$000)*

	Mar Q 2025	Jun Q 2025	Sep Q 2025	Dec Q 2025	Mar Q 2026
Sales receipts	654	823	562	1,095	466
Net operating outlays	-1,607	-1,298	-1,513	-966	-1,242
Cash from operations	-953	-475	-952	+129	-776
Cash from investing	-25	-21	-39	-42	-16
Cash from financing	-	-	-	-	-
Net cash flow	-978	-496	-990	+87	-792
Forex movements	-54	-155	-27	-47	-100
Cash position	6,833	6,181	5,164	5,205	4,313



Note that quarterly figures are volatile and caution should be taken in extrapolating such data.

In accordance with Listing Rule 4.7C, payments made to related parties and their associates included in item 6.1 of the Appendix 4C relate to directors' fees (including superannuation) paid to non-executive directors.

### **Operations**

It was pleasing to see progress being made on several fronts. Sales were solid, the factory is now operating well after a slow start, R&D efforts are encouraging, and strategic alliances are being formed across the globe to expand our footprint into new regions and new markets.

Sales volumes were 385 tonnes, similar to the 381 tonnes sold in the same period last year. Brazil accounted for 60%, Europe 24%, Australia 13% and the USA 3%.

Production totaled 356 tonnes. The factory resumed operations on 5 January after being closed for some years and not unexpectedly, several equipment failures occurred early in the Quarter. The plant operated for 37 days out of the 62 weekdays available, with the balance affected by statutory holidays (15 days) and repairs. The issues lessened over time and during the last three weeks of March the factory operated every weekday and at close to current capacity of 14.7 tonnes (14 pallets) per day.

Product inventory on 31 March was 1,151 tonnes including China 466 tonnes.

R&D efforts in China are continuing. A product with a 10% lanthanum content has been developed with good P-binding and free La properties. Preparation for a patent application is underway and a plan to produce bulk samples for third party laboratory tests and in-lake trials is being formulated.

### **Corporate**

Phoslock continues to address legacy legal matters, including a potential class action filed by the Banton Group on behalf of certain shareholders. The action is still at the discovery phase. Mediation is currently scheduled to commence on 11 June. While we cannot predict the outcome of these matters, we are fully committed to complying with all regulatory requirements and defending the company's interests.

**This announcement has been approved by the Chairman.**

– end –

### **About PET:**

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



PET is headquartered in Sydney, has a factory and warehouse in Changxing, China, and offices in China, the UK/Europe and in the USA. The Company is represented by licensees, distributors and agents in other countries including HydroScience in Brazil and The Orion Companies in the USA.

PET's main manufactured product is Phoslock<sup>®</sup>, a lanthanum modified bentonite (LMB) that permanently binds excess phosphorus in the water column and sediments, and thus improves water quality and biodiversity. Phoslock does not harm living organisms and is certified for use in drinking water in North America, Europe, Brazil, Australia, and China.

[www.petwatersolutions.com](http://www.petwatersolutions.com)

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

PHOSLOCK ENVIRONMENTAL TECHNOLOGIES LIMITED

**ABN**

88 099 555 290

**Quarter ended ("current quarter")**

March 2026

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	466	466
1.2 Payments for		
(a) research and development	(20)	(20)
(b) product manufacturing and operating costs	(153)	(153)
(c) advertising and marketing	(26)	(26)
(d) leased assets	(144)	(144)
(e) staff costs	(369)	(369)
(f) administration and corporate costs	(531)	(531)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(775)</b>	<b>(775)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	(16)	(16)
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(16)</b>	<b>(16)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	5,205	5,205
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(775)	(775)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(16)	(16)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(101)	(101)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>4,313</b>	<b>4,313</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	3,437	3,853
5.2	Call deposits	876	1,352
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,313</b>	<b>5,205</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(37)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(775)
8.2 Cash and cash equivalents at quarter end (item 4.6)	4,313
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	4,313
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>6</b>
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: April 2026.....

Authorised by: .....Managing Director.....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.