

## Company announcement

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# Phoslock Environmental Technologies 2026 AGM Chair's Address

Phoslock Environmental Technologies (ASX:PET) provides Phoslock Non-Executive Chairman Mr Fred Bart's address to the 2026 Annual General Meeting.

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

**Mr Fred Bart**  
Chairman

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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 an office and factory in Changxing, China and employees in Europe and the USA. The Company is represented by licensees, distributors and agents in numerous 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 prevents the formation of cyanobacteria. Phoslock is certified for use in drinking water in North America, Europe, Brazil, Australia, and China.  
[www.petwatersolutions.com](http://www.petwatersolutions.com)



## **Phoslock Environmental Technologies 2026 AGM Chair's Address**

Thank you for taking the time to be here today, and I am pleased to welcome you to Phoslock's 2026 Annual General Meeting.

As expected, 2025 saw a substantial increase in sales from the depressed level of 2024, taking it back to more normal levels. Further significant growth is expected in the current year and in 2027, although future sales growth remains dependent on customer demand, project timing and broader market conditions. The Company continues to engage with several large European lake restoration opportunities that have been under development for a number of years, which if successful could materially increase future sales volumes. While discussions remain positive, there can be no assurance that these opportunities will convert into commercial orders. Contributing to this outlook is the positive backdrop for the water treatment industry and various initiatives being pursued by the Company.

In relation to the water treatment project, sample products have been trialled in a number of European wastewater treatment facilities and the Company is encouraged by the results of these trials. The Company is optimistic that these water treatment trials will result in higher volumes of sales in the future, albeit the process is slow as some of the larger companies involved take long periods of time to implement these types of changes, so the overall scale and timing of futures sales for the treatment of waste water remain uncertain.

On the research and development front, we are encouraged by progress being made toward development of a Phoslock product that has twice the P-binding capacity of the original product.

A key milestone occurred in January this year with the resumption of production in China after five years of closure. This was required to replenish depleted inventory levels and support anticipated customer demand over the remainder of the year. But the downside is that we have to bear the cash cost. In the previous five years, of course, the cash cost of production was zero.

Banton Group is continuing with its shareholder class action in relation to continuous disclosure obligations around irregularities in China in 2018 through 2020. The Company is working closely with its lawyers and insurers to navigate through this action. The ongoing litigation creates considerable uncertainty due to the cost of defending the claims and the indemnities in place for the former officers, whereby the Company is obliged to pay their legal costs. Although our underlying business continues to improve, the outlook will remain uncertain until this matter is resolved.

Thank you.

Fred Bart.