

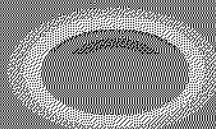
PHOSLOCK[®]

Shareholder Presentation

30th November, 2006

INVESTMENT HIGHLIGHTS

- PWS has been producing and selling Phoslock products to the global market since mid 2005.
- J/V factory in Kunming, China is now operating at a steady production rate; focus on reducing costs.
- Over 70 applications (medium and large scale) have taken place in 18 countries; results very positive.
- Awareness of Phoslock as a solution to phosphorus and algal problems is rapidly growing.
- A number of significant sales breakthroughs during the year:
 - Treated a number of medium size lakes in Australia, NZ, UK, Germany, Poland, South Africa and Canada.
 - Now treating drinking water reservoirs
 - Significant focus on aquaculture (prawn/shrimp and fish farming)
- Continue to develop licensee network in Europe and Asia.
- Break even for PWS is approx 3,000 tpa of Phoslock product sales.
- PWS is forecasting to be breakeven (on a quarterly basis) in Q1 or Q2, 2007.
- PWS has recently completed Share Placement (subject to GM approval on 19 Dec 06) raising A\$2.8m (net of costs)
- Post Share Placement, PWS will have A\$5.5m, of cash, inventories and receivables and remain debt free.
- Three Year Plan - producing and selling 30,000 tpa Phoslock products in 50 countries.



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CAPITAL STRUCTURE

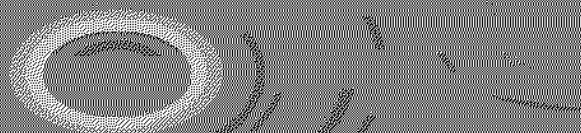
ASX Code:	PHK
Current Price:	28.5 cents *
Trading range: (last 12 months)	13 - 31 cents
Total Issued Shares:	143 million **
Total Issued Options:	30.4 million ***
Market Capitalisation:	A\$41 million

* Closing Price on 28th November, 2006

** Includes 12.6m shares in Nov 2006 Share Placement (subject to GM on 19th December 2006)

*** Exercise prices range between 20c – 40c and expiring between Nov 2007 and Nov 2010.

The exercise value of all options is A\$8.4 m.



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MAJOR SHAREHOLDERS

Major Shareholders of Ordinary Shares *

Link Traders Pty Ltd	Investor	11.7%
Newvest Pty Ltd	Investor	4.9%
CSIRO	Govt Scientific Organisation	2.8%
Paul Cayzer	Investor	2.6%

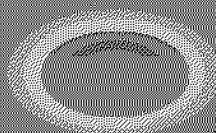
Current Directors and Executives – Ordinary Shares	4.3%
– Ordinary Shares & Options	17.4%

Top 50 Shareholders aggregate holding	55%
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Institutional Shareholding (approx)	7%
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Total number of Shareholders (approx)	1,200
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* Shareholders as at 28th November, 2006



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DIRECTORS

Directors

Located

Experience

Robert Schuitema
Executive Chairman

Sydney

Former Investment Banker – JP Morgan

Brett Crowley
Managing Director

Sydney

Former Tax Partner - Ernest & Young
MD of PWS since 2002

Dr David Garman
Non Executive Director

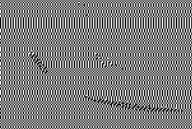
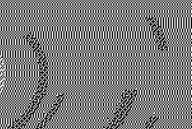
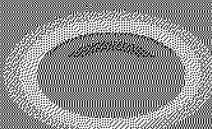
Sydney

President of International Water Association
Executive Director -Environmental Biotechnology CRC

Russell Brown
Non Executive Director

Sydney

MD of Agricultural Chemical Company



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SENIOR MANAGEMENT

Management

Colin Upcroft
CFO & Company Secretary

Hugh Stump
Sales Manager – Australia

Nigel Traill
Sales Manager – Europe and Africa

Phil Adcock
Sales Manager – United Kingdom

Terry Vulles
Operations Manager – China

Dr Fouad Haghseresht
Technical Manager

Located

Brisbane

Sydney

Brussels, Belgium

North London, UK

Kunming, China

University of QLD
Brisbane

Experience

20 years Accountancy,
Company Secretarial

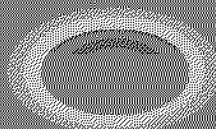
20 years Sales

15 years Sales

20 years Sales

Fluent Chinese speaker & writer;
worked in China for 8 years

Doctor of Applied Chemistry;
worked on Phoslock for 4 years

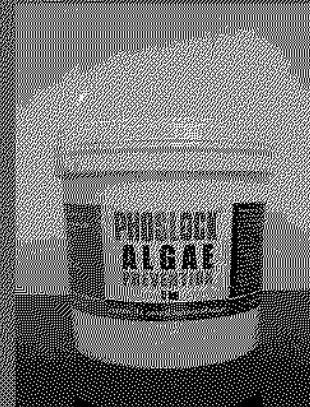
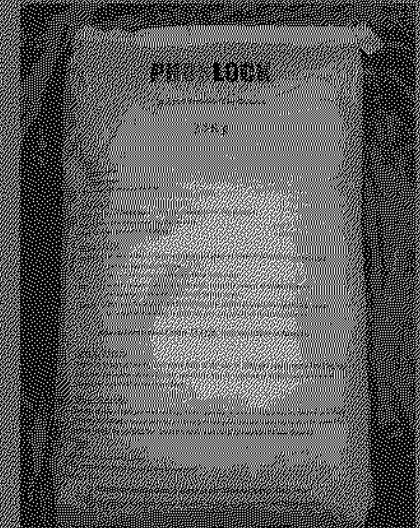


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PHOSLOCK – THE PRODUCT

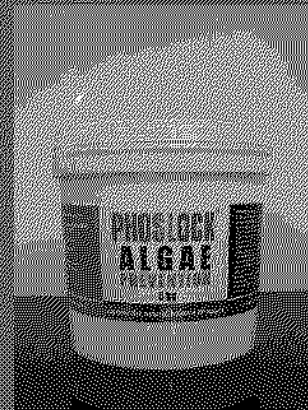
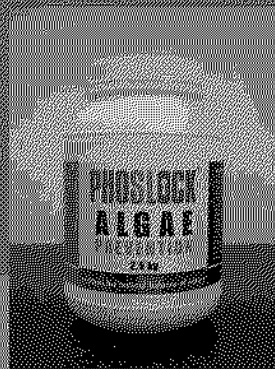
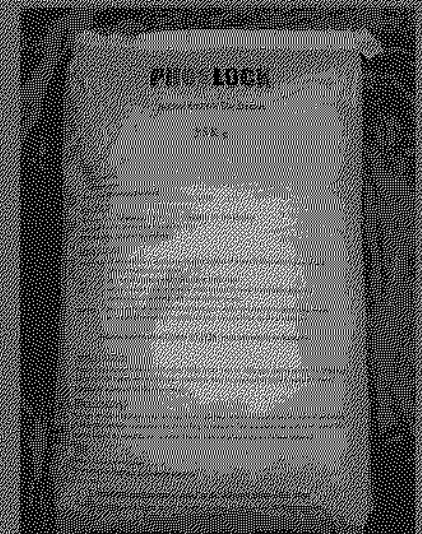
- Phoslock is a modified clay product which removes phosphorus from water bodies and breaks the algal cycle
- Environmentally friendly product
- Reduces phosphorus concentrations below detectable limits
- Caps sediment and prevents remobilization of phosphorus
- Stable in varying pH levels
- Very low toxicity
- Safe to handle and easy to apply



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THE PRODUCT (cont)

- Phoslock is manufactured in Kunming, China
- For wholesale market, Phoslock is produced in a dry granular form
- For retail market, Phoslock is produced in a dry powder form
- Packaged in 1.25kg, 2.5kg & 5kg containers
- Phoslock is applied either dry or in a slurry form



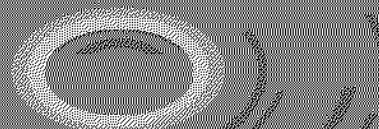
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BUSINESS RATIONALE

- Excessive phosphorus in water bodies is a global problem with few natural solutions
- Phoslock is a natural product and environmentally friendly
- Phoslock is the ideal product to use in natural and man-made water bodies, including lakes, reservoirs, rivers, dams, ornamental ponds, golf course lakes, winery ponds
- In the water treatment industry, Phoslock allows operators to comply with the most stringent discharge requirements and prevent algal blooms in their reservoirs
- In the aquaculture industry, Phoslock allows shrimp/prawn and fish farmers to control the level of algae in the water to maximize growth and quality



**The potential for Phoslock is enormous –
it is a natural solution to a global water quality problem**

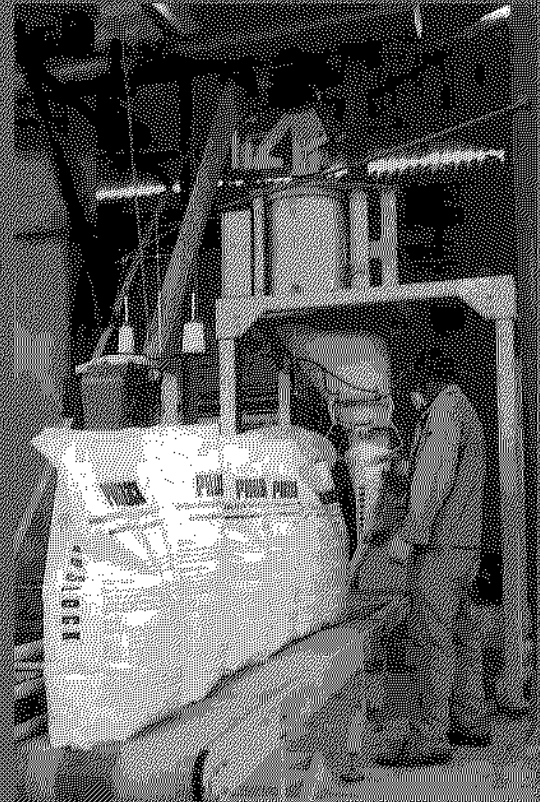


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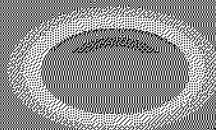
OPERATIONS – KUNMING, CHINA

- Continuous production commenced in May, 2005
- PWS Chinese speaking executive located in Kunming, China
- Plant has capacity to produce 6,000 – 8,000 tpa of Phoslock products
- Management focus
 - Plant reliability
 - Lower production costs – raw materials
– transportation

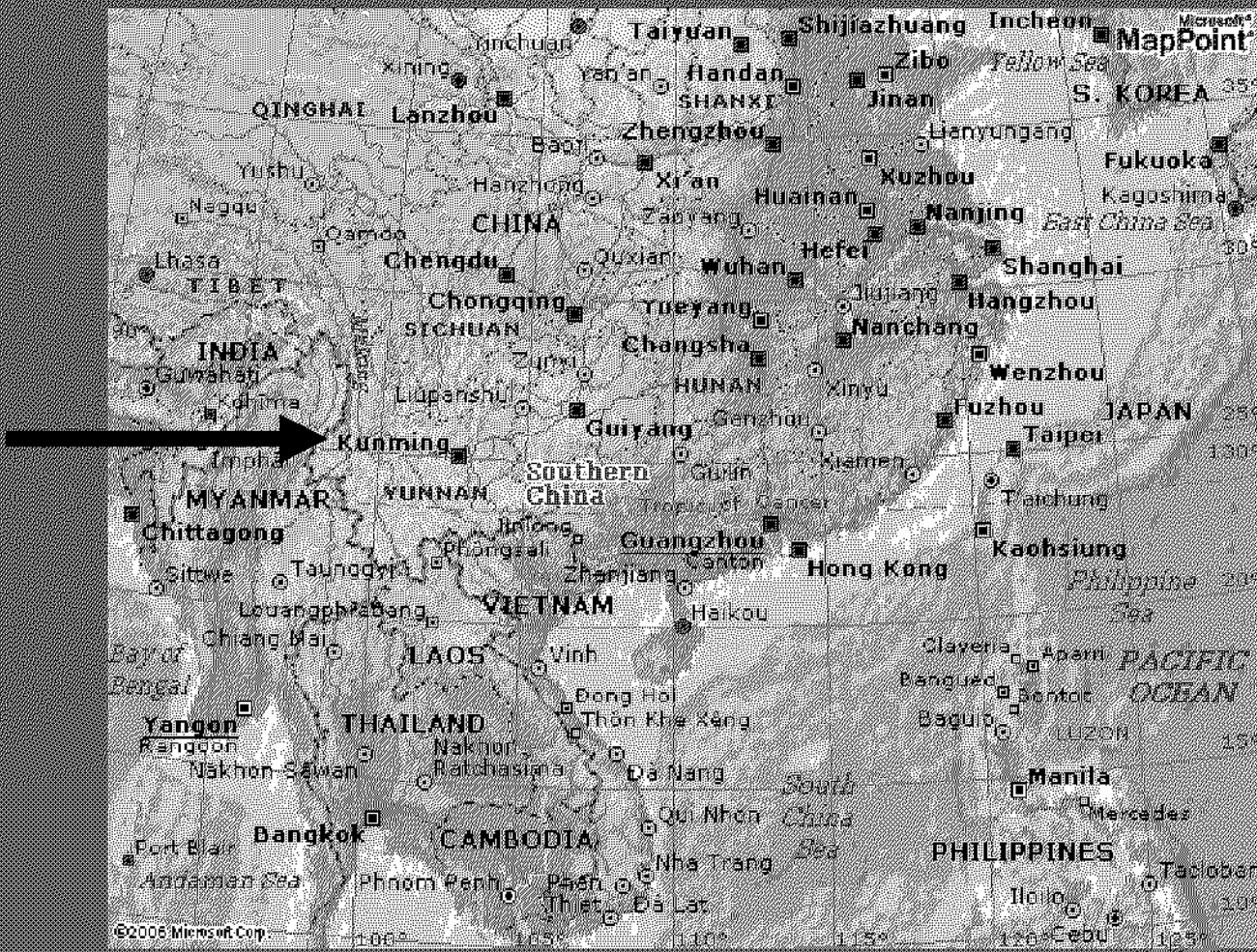


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PHOSLOCK MANUFACTURING PLANT



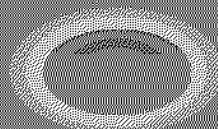
Phoslock Manufacturing Plant – Kunming, China

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OPERATIONS – 2ND PLANT

- When demand for Phoslock exceeds 4,000 – 6,000 tpa the PWS board is likely to commit to a second Phoslock manufacturing operation
- Likely location is in China
- Significant work is being undertaken on site selection, sourcing of raw materials and capital equipment
- Economies of scale of second plant plus better location for raw materials and transportation should lower production costs by 20-30%
- Estimated plant capacity requirement 20,000 – 30,000 tpa of Phoslock products



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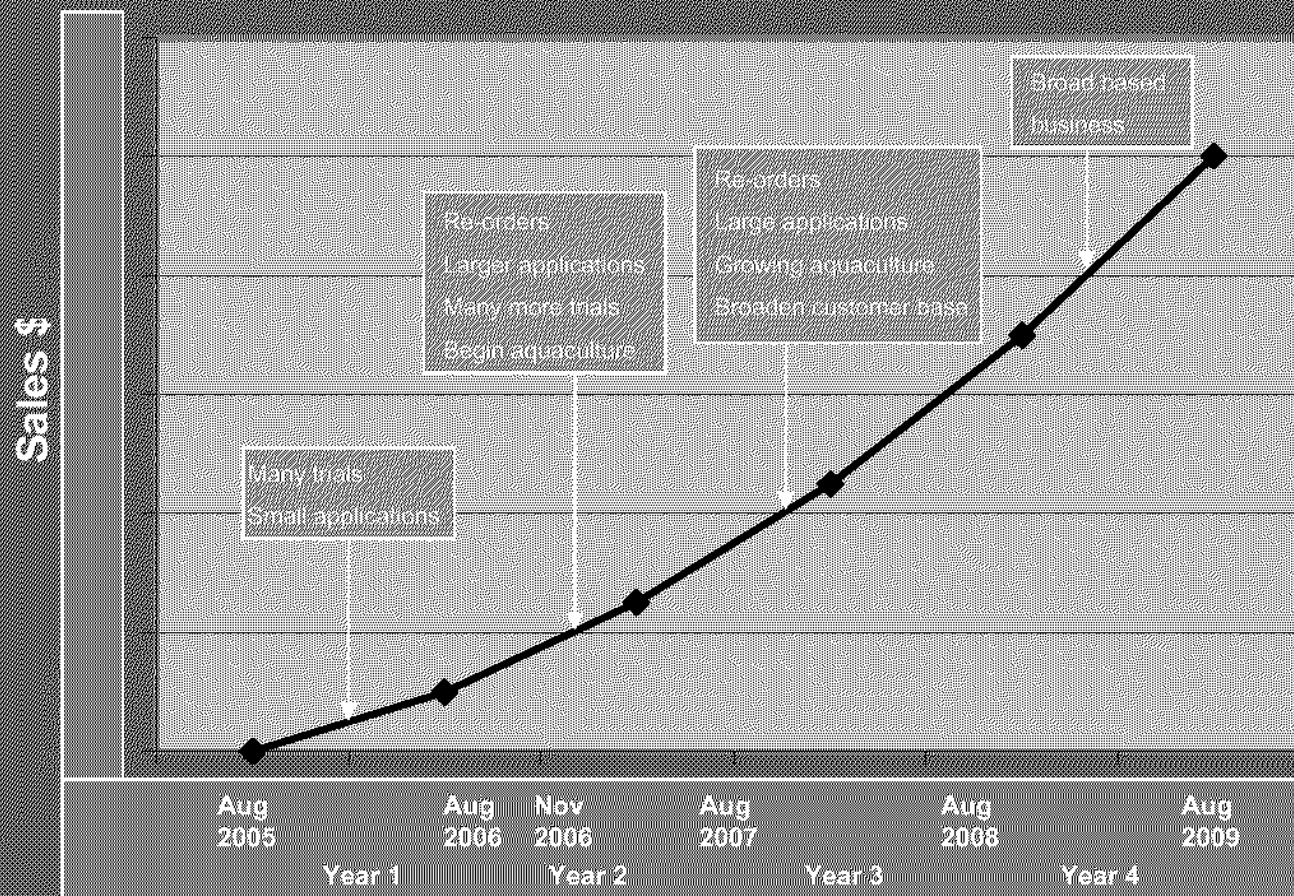
SALES & MARKETING

- Phoslock is now in it second year of commercial sales
- Over 70 medium to large applications completed in 18 countries
- PWS and licencees use applications to host a large number of interested parties to observe process
- Results of applications have been very positive
- PWS has retained licences in Australia, UK / Ireland and China / HK / Taiwan servicing these territories with it's own sales team.
- Third party licencees have been appointed for NZ, United States/Canada, Southern Africa (covering 30 countries), Germany/Switzerland/Austria, Poland, Indonesia/Malaysia/Singapore/Thailand (selected activities)
- Working with a number of potential licencees in Europe and Asian countries, and subject to rigid pre-qualification, will appoint as licencee
- Phoslock has been profiled at over 30 trade and water industry shows throughout the world
- Three year plan is to be represented and selling in over 50 countries either directly, via joint venture or third party licencee.

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Sales Cycle for a New Product like Phoslock

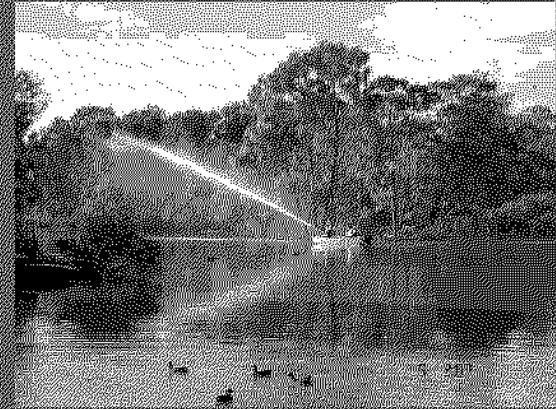


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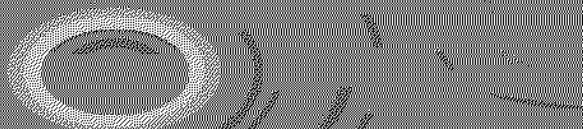
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HOW IS PHOSLOCK APPLIED?

For smaller applications



For larger applications



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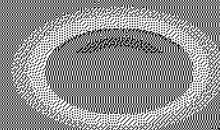
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LAKES

- Phoslock is applied to water bodies ranging in size from small council/municipal lakes to very large lakes to reduce phosphorus, stop the algal cycle and cap sediment to stop rerelease of P into water body
- Phosphorus and algae problems for lakes is a relatively recent phenomenon
- Phoslock applied to lakes in 10 countries have been closely followed by multitude of future customers
- Results have been very good. PWS expects significant new business for lakes



Business Opportunity – Phoslock is an environmental solution to an enormous problem in lakes around the world.



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DRINKING WATER RESERVOIRS

- Major problem in drinking water reservoirs with algal problems along with taste and odour issues with the water
- Phosphorus and algal problems have two major impacts for water companies
 - increase treatment costs significantly
 - in some instances, can't use the water from a reservoir until water quality is improved
- Water companies are looking for a proactive solution of phosphorus and algal issues
- Phoslock being used in drinking water reservoirs in Australia and UK.



Business Opportunity – enormous market looking for a pro-active solution to mitigate future water quality issues

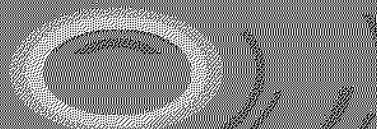
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PRAWN FARMS

- Prawn growers need to regulate the amount of phosphorus and algae in there growing ponds
- Effects of phosphorus and too much algae impacts size, number, weight and taste of prawns impacting the economic value of the crop to the grower
- PWS is working with prawn growers in several countries to find right balance between amount of Phoslock and timing of application to produce best results to significantly enhance economic value of crop to the grower
- Over 3,000,000 hectares of prawn/shrimp farms around the world

Business Opportunity – enormous market who are economically driven to finding a solution to enhance the value of their crop



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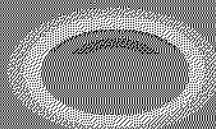
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GOLF COURSES & RESIDENTIAL ESTATES

- Lake and water features are a major part of many up market golf courses and residential estates
- These water bodies receive run off from intensive fertilizing. If you add phosphorus from ducks and other bird life, this leads to major algal problems and in some cases adverse odour issues
- Owners of golf course and residential estates are keen to find a solution as it affects golf courses and value of residential estates
- There are over 200,000 golf courses around the world with 20% in the premium category
- Relatively quick buying decision



Business Opportunity – huge target market throughout the world looking for a solution to long standing problem

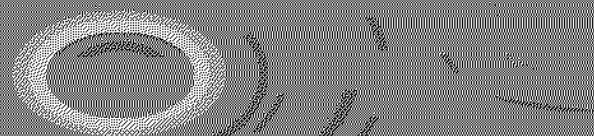
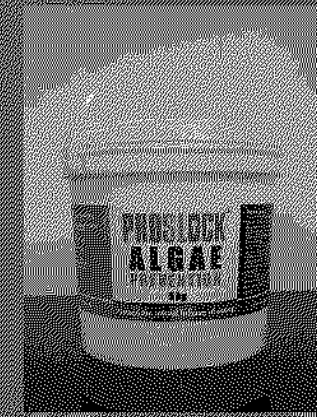
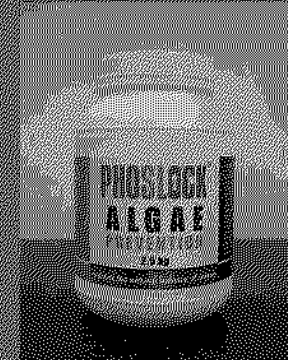
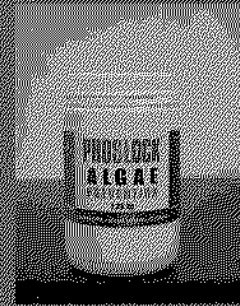


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RETAIL PRODUCT

- Phoslock is sold via the internet and retail irrigation and garden stores (Australia – 72 stores) to retail customers
- Sold in 1.25kg, 2.5kg, and 5kg plastic containers environmental friendly product ideal for garden & ornamental ponds
- Long lasting and is harmless to fish and plant life
- Recently features on Channel 9 gardening show "Garden Gurus"

Business Opportunity – large retail market looking for an effective environmental solution.



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CONTACTS

Robert Schuitema

Executive Chairman

0412 305 422

rs61@bigpond.net.au

Brett Crowley

Managing Director

0411 713 555

bcrowley@phoslock.com.au

Phoslock Water Solutions Limited

116 Rothschild Avenue

Rosebery, Sydney, NSW 2018

Australia

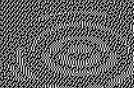
Correspondence Address

PO Box 319

Rosebery, Sydney, NSW 1445

Australia

WEB: www.phoslock.com.au



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