



14 August 2023

ALTECH - ENTITLEMENT OFFER SHORTFALL PLACED GIVING TOTAL FUNDS RAISED OF \$15.8M

Altech Batteries Limited (Altech or Company) (ASX: ATC) (FRA: A3Y) advises that, in relation to the shortfall for the Company's pro-rata non-renounceable entitlement offer, pursuant to the Prospectus dated 18 July 2023, Altech has received binding commitments for the shortfall shares, raising gross additional funds of \$2,538,000.

Altech has received binding commitments from major German shareholder Deutsche Balaton Aktiengesellschaft, as well as from 180 Markets Pty Ltd, for a total of 36,257,139 shares at \$0.07 per share. Shares will be issued to sophisticated and professional investor clients of 180 Markets Pty Ltd. Subject to the funds being received, Altech intends to issue all shares on Wednesday 16 August 2023.

Chief Financial Officer Mr Martin Stein stated *"Altech is pleased with the support for the shortfall. The Company received a great deal of interest from investors to participate. Total proceeds have now been raised of \$15,838,208, including \$3,000,000 from the recent placement, as well as the allocation of \$12,838,208 from the Entitlement Offer and shortfall."*

"There has been a great deal of interest from the market in the CERENERGY® and Silumina Anodes™ battery projects. We believe that the market is becoming more aware of the enormous potential upside to these projects, as well as the ability and reputation of world leading German government research and development institute Fraunhofer, Altech's joint venture partner in the CERENERGY® battery project."

"In a recent August 2023 report released by McKinsey & Company, the report states that battery energy storage system capacity is likely to quintuple between now and 2030 and states that the battery energy storage system market is expected to grow from \$44-\$55 billion in 2023, to \$120-\$150 billion in 2030. Altech is racing to bring its sodium-chloride solid state CERENERGY® battery project to market, and is extremely excited by the potential of this product"

Altech Batteries Interactive Investor Hub

Engage with Altech directly by asking questions, watching video summaries and seeing what other shareholders have to say about this, as well as past announcements, at our Investor Hub <https://investorhub.altechgroup.com>

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About Altech Batteries Ltd (ASX:ATC) (FRA:A3Y)

CERENERGY® Batteries Project

Altech Batteries Ltd is a specialty battery technology company that has a joint venture agreement with world leading German battery institute Fraunhofer IKTS ("Fraunhofer") to commercialise the revolutionary CERENERGY® Sodium Chloride Solid State (SCSS) Battery. CERENERGY® batteries are the game-changing alternative to lithium-ion batteries. CERENERGY® batteries are fire and explosion-proof; have a life span of more than 15 years and operate in extreme cold and desert climates. The battery technology uses table salt and is lithium-free; cobalt-free; graphite-free; and copper-free, eliminating exposure to critical metal price rises and supply chain concerns.

The joint venture is commercialising its CERENERGY® battery, with plans to construct a 100MWh production facility on Altech's land in Saxony, Germany. The facility intends to produce CERENERGY® battery modules to provide grid storage solutions to the market.



Silumina Anodes™ Battery Materials Project

Altech Batteries has licenced its proprietary high purity alumina coating technology to 75% owned subsidiary Altech Industries Germany GmbH (AIG), which has commenced a definitive feasibility study for the development of a 10,000tpa silicon/graphite alumina coating plant in the state of Saxony, Germany to supply its Silumina Anodes™ product to the burgeoning European electric vehicle market.

This Company recently announced its game changing technology of incorporating high-capacity silicon into lithium-ion batteries. Through in house R&D, the Company has cracked the "silicon code" and successfully achieved a 30% higher energy battery with improved cyclability or battery life. Higher density batteries result in smaller, lighter batteries and substantially less greenhouse gases, and is the future for the EV market. The Company's proprietary silicon graphite product is registered as Silumina Anodes™.

The Company is in the race to get its patented technology to market, and recently announced the results of a preliminary feasibility study (PFS) for the construction of a 10,000tpa Silumina Anode™ material plant at AIG's 14-hectare industrial site within the Schwarze Pumpe Industrial Park in Saxony, Germany. The European graphite and silicon feedstock supply partners for this plant will be SGL Carbon and Ferroglobe. The project has also received green accreditation from the independent Norwegian Centre of International Climate and Environmental Research (CICERO). To support the development, AIG has commenced construction of a pilot plant adjacent to the proposed project site to allow the qualification process for its Silumina Anodes™ product. AIG has executed NDAs with two German automakers as well as a European based battery company.



HPA Production Project

Altech is also further aiming to become a supplier of 99.99% (4N) high purity alumina (Al₂O₃) through the construction and operation of a 4,500tpa high purity alumina (HPA) processing plant at Johor, Malaysia, and has finalised Stage 1 and Stage 2 construction of its HPA plant in Johor, Malaysia. Feedstock for the plant will be sourced from the Company's 100%-owned near surface kaolin deposit at Meckering, Western Australia and shipped to Malaysia. The HPA project is significantly de-risked with a bankable feasibility study completed, senior lender project finance from German government owned KfW IPEX-Bank approved, and a German EPC contractor appointed – with initial construction works at the site completed. In addition to the senior debt, conservative (bank case) cash flow modelling of the HPA plant shows a pre-tax net present value of USD 505.6million at a discount rate of 7.5%. The project generates annual average net free cash of ~USD76million at full production. Altech is in the final stages of project finance with a potential raising of US\$100m of secondary debt via the listed green bond market. In addition, US\$100m of project equity is being sought through potential project joint venture partners.