



Altech Chemicals
Limited

ASX ANNOUNCEMENT AND MEDIA RELEASE

30 May 2017

ALTECH – SHARE PURCHASE PLAN CLOSING DATE EXTENDED TO 7 JUNE 2017

Highlights

- Share Purchase Plan (SPP) offered to eligible shareholders
- Closing date extended to Wednesday 7 June 2017 (5pm WST)
- SPP offer priced at a 5% discount to the 5 day VWAP to 7 June 2017

Altech Chemicals Limited (Altech/the Company) (ASX: ATC) (FRA: A3Y) advises that it has extended the Closing Date of its Share Purchase Plan (SPP) to **Wednesday 7 June 2017** (5pm WST).

Existing eligible shareholders of Altech have the opportunity to subscribe to a maximum of \$15,000 of new shares and a minimum amount of \$1,000 of new shares, via the SPP.

Shares issued under the SPP will be priced at a 5% discount to the volume-weighted average price of Altech shares as traded on the Australian Securities Exchange over the 5 days up to, and including, the day on which the SPP offer closes (now 7 June 2017), rounded down to the nearest half-cent. Altech will announce the final issue price for the SPP shares after the offer closes.

Under the SPP rules, shareholders who were recorded on the share register at 5 May 2017 (record date) with a registered address in Australia or New Zealand are eligible to participate.

Each eligible shareholder is entitled to apply for up to \$15,000 of new fully paid ordinary shares of the Company without incurring any brokerage or other transaction costs. All new shares issued under the SPP will rank equally with existing ordinary shares of the Company.

Shareholders that have not yet taken up the offer to participate in the SPP, but wish to do so, are urged to return the completed individualised SPP application form along with payment for the application amount to the Company prior to the revised closing date of 7 June 2017. Alternatively, shareholders can pay the application amount directly via **BPAY**, in which case there is no need to return the application form to the Company.

Shareholders that have not received an SPP application form, or require a replacement form, should contact Mr Shane Volk (Company Secretary) via e-mail shane@altechchemicals.com or telephone (08) 6168 1555.

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For more information, please contact:

Corporate

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About Altech Chemicals (ASX:ATC) (FRA:A3Y)

Altech Chemicals Limited (Altech/the Company) is aiming to become one of the world's leading suppliers of **99.99% (4N) high purity alumina (HPA)** (Al₂O₃).

HPA is a high-value, high margin and highly demanded product as it is the critical ingredient required for the production of synthetic sapphire. Synthetic sapphire is used in the manufacture of substrates for LED lights, semiconductor wafers used in the electronics industry, and scratch-resistant sapphire glass used for wristwatch faces, optical windows and smartphone components. There is no substitute for HPA in the manufacture of synthetic sapphire.

Global HPA demand is approximately 25,315tpa (2016) and demand is growing at a compound annual growth rate (CAGR) of 16.7% (2016-2024), primarily driven by the growth in worldwide adoption of LEDs. As an energy efficient, longer lasting and lower operating cost form of lighting, LED lighting is replacing the traditional incandescent bulbs.

Current HPA producers use expensive and highly processed feedstock materials such as aluminium metal to produce HPA. Altech has completed a Bankable Feasibility Study (BFS) for the construction and operation of a 4,000tpa HPA plant at the Tanjung Langsat Industrial Complex, Johor, Malaysia. The plant will produce HPA directly from kaolin clay, which will be sourced from the Company's 100%-owned kaolin deposit at Meckering, Western Australia. Altech's production process will employ conventional "off-the-shelf" plant and equipment to extract HPA using a hydrochloric (HCl) acid-based process. Production costs are anticipated to be considerably lower than established HPA producers.

The Company is currently in the process of securing project financing with the aim of commencing project development in Q4, 2017.

Forward-looking Statements

This announcement contains forward-looking statements which are identified by words such as 'anticipates', 'forecasts', 'may', 'will', 'could', 'believes', 'estimates', 'targets', 'expects', 'plan' or 'intends' and other similar words that involve risks and uncertainties. Indications of, and guidelines or outlook on, future earnings, distributions or financial position or performance and targets, estimates and assumptions in respect of production, prices, operating costs, results, capital expenditures, reserves and resources are also forward-looking statements. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions and estimates regarding future events and actions that, while considered reasonable as at the date of this announcement and are expected to take place, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the directors and management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and readers are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are subject to various risk factors that could cause actual events or results to differ materially from the events or results estimated, expressed or anticipated in these statements.

Also, there is no certainty that German government project finance export credit cover (ECA) and/or project debt finance for the project will be approved. The Company makes no representations or warranties whatsoever as to the outcome of the ECA application process. In addition, the Company to date has not been provided with any estimates of the capital costs of the project from its appointed proposed EPC contractor, which is still finalising the detailed design of the proposed Malaysian high purity alumina (HPA) plant and has not been provided with sufficient firm quotations of costs to provide the estimate.

