



Altech Chemicals
Limited

ASX ANNOUNCEMENT AND MEDIA RELEASE

30 March 2015

ALTECH RECEIVES \$815,000 FROM R&D ADVANCE LOAN FACILITY

Altech Chemicals Limited (Altech/the Company) (ASX: ATC) is pleased to advise that it has entered into a short-term debt-based instrument that provides the Company with immediate funds equivalent to its forecast research and development (R&D) tax incentive offset (R&D Scheme) for the year ended 30 June 2015.

The advance of \$815,000 from Platinum Road was based on the estimated R&D Scheme (relating to the Company's completed and remaining eligible R&D activities) being received in October 2015.

The upfront funds will allow Altech to accelerate its bankable feasibility study (BFS) and ongoing R&D activities for its proposed high purity alumina (HPA) processing operation.

The Company reported a cash position of \$1,174,000 as at 31 December 2014.

The key terms of the loan are detailed in Appendix A.

-Ends-

APPENDIX A

Terms:	
Loan Amount	\$815,000
Term	7 months (27 October 2015)
Interest Rate	8.75% of loan amount, for the 7 month period
Repayment	Cash in full from the R&D Scheme refund
Establishment Fee	5%
Commission Options	2,500,000 unlisted options (Ex. \$0.10, expiry 15 June 2016)
Loan Conversion	The Lender has an option to convert all or part of the loan amount into fully paid ordinary shares of ATC, at a conversion price at the lower of \$0.10 per share, or at price that ATC shares were issued at during the Loan term.
Security:	Secured

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About Altech Chemicals (ASX: ATC)

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)** (Al_2O_3). HPA is a high-value product because it is the major source material for scratch-resistant artificial sapphire glass. Sapphire glass is used to produce a range of high-performance electronic applications such as LEDs, semi-conductors, phosphor display screens, as well as new emerging products such as smartphones and tablet devices. The global HPA market is approximately 19,040tpa (2014) and is expected to at least double over the coming decade.

Current HPA producers use an expensive and highly processed feedstock material such as aluminium metal to produce HPA. Altech produces 4N HPA directly from an ore feedstock, aluminous clay, from its Meckering deposit in Western Australia. The Company is now advancing a Bankable Feasibility Study (BFS) to develop a full-scale **4,000tpa HPA production** facility. The Altech process employs conventional and proven "off-the-shelf" plant and technology to extract HPA from its **low-cost** and **low-impurity** aluminous clay feedstock, which results in **lower operating costs**.

Altech is a chemical processing group focused on creating a high-margin product to meet the growing global demand for the next generation of high-performance technologies.



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 our 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.