



Altech Chemicals
Limited

ASX ANNOUNCEMENT AND MEDIA RELEASE

8 December 2015

KERRIGAN EXPLORATION LICENCE GRANTED

Highlights

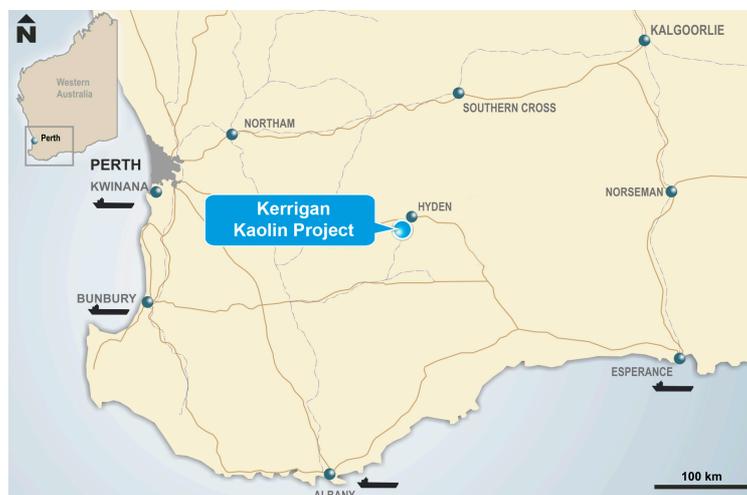
- Grant of Exploration Licence E70/4718 (Kerrigan)
- Inferred Kaolin Mineral Resources of 85Mt (JORC 2004)
- Proximal to established road and rail infrastructure

Altech Chemicals Limited (Altech/the Company) (ASX:ATC) advises that exploration licence E70/4718 (Kerrigan project) has been granted. The licence covers an area of approximately 480km², is on freehold agricultural land and contains Inferred Kaolin Mineral Resources of 85 million tonnes at 85.1% brightness (JORC 2004)(refer ASX Announcement by the Company dated 24 August 2011 for details).

The Kerrigan project is located approximately 20km south of the Western Australian wheat belt town of Hyden and 335km south east of Perth (refer Figure 1 below). The project is proximal to the Hyden to Lake Grace railway line (15km to the east), which connects to the port city of Albany, Western Australia; there are also established sealed roads from Hyden to Perth and the ports of Albany, Bunbury, Esperance and Fremantle.

As announced by the Company on 24 August 2011, CRA Exploration conducted various mineral and chemical analysis on kaolin samples from various outcrops, diamond drill core and air core within the Kerrigan project. Based on this analysis, which returned results showing the samples had low levels of impurities (such as iron and sodium) and were high in alumina, the Company is considering undertaking its own sampling and analysis campaign for the project. The project may present an opportunity to provide kaolin as complementary high grade feedstock for the Company's proposed Malaysian HPA project.

Figure 1. Kerrigan project location



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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.

Competent Persons Statement – Kerrigan Project

The information in this report that relates to Mineral Resources for the Company's Kerrigan project is based on information compiled by Ms Sue Border, who is a Fellow the AusIMM and of AIG and is a consultant to the Company. Ms Border has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that she is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". The information contained in this report is extracted from the ASX announcement entitled "AMMG INCREASES GLOBAL KAOLIN RESOURCES TO 150 MILLION TONNES, WESTERN AUSTRALIA" dated 24 August 2011 and is available to view on the Company web site www.altechchemicals.com. Ms Border has reviewed this statement and can confirm the resource figures are current, and approves the inclusion in this public report in the form and context in which they appear.