ASX ANNOUNCEMENT AND MEDIA RELEASE

23 June 2016

ALTECH PRESENTATION – 3rd INTERNATIONAL SAPPHIRE INDUSTRY TECHNOLOGY EXPO

Altech Chemicals Limited (Altech/the Company) (ASX: ATC) is pleased to provide a copy of the presentation that will be delivered by Company General Manager Operations, Mr Jingyaun Liu at the 3rd International Sapphire Industry Technology Exhibition (Sapphire Expo) in Shenzhen, China on Thursday, 23 June 2016.

The Sapphire Expo is an annual trade show that is held over three days (22 – 24 June 2016) and attracts hundreds of sapphire industry participants from the around the world. Participants include sapphire glass and wafer manufacturers, sapphire substrate producers, high purity alumina suppliers, and importantly representatives from the LED lighting and lithium-ion battery manufacturing sectors.

Altech's attendance and presentation at the expo is an opportunity for it to both showcase the advanced state of its Malaysian high purity alumina (HPA) project and to commence building international brand awareness for its proposed finished product HPA.

As previously announced, Altech has executed a 10-year off-take sales arrangement with Mitsubishi Corporation's Australian subsidiary, Mitsubishi Australia Ltd (Mitsubishi) for 100% of HPA production from its proposed Malaysian HPA plant. The current forecast demand growth profile for HPA indicates that near term future demand is well in excess of current and known planned supply capacity increases; the expo should provide the Company with useful information on industry participant perception of this dynamic and possible sector specific supply challenges.

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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, high margin and highly demanded product, as it is the critical ingredient required for the production of sapphire substrates which are used in the manufacture of LED lights, for the manufacture of alumina semiconductor wafers that are widely used in the electronics industry, and for the manufacture of scratch resistant artificial sapphire glass used for watch faces, camera lenses and by various smartphone manufacturers. There is no substitute for HPA in the manufacture of sapphire substrates, sapphire semiconductor wafers or scratchproof sapphire glass.

Global HPA demand is approximately 19,040tpa (2014) and demand is growing at an annual rate of 28%, primarily driven by the growth in LED's, as this energy efficient, longer lasting and lower operating cost form of lighting replaces traditional incandescent bulbs. HPA demand 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 has completed a Bankable Feasibility Study (BFS) for the construction and operation of a 4,000tpa HPA plant at Tanjung Langsat, 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 acid (HCl) leaching 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 German KfW IPEX-Bank.
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Altech Chemicals Limited (ASX:ATC)

Sapphire Exhibition Presentation

"Meeting a Sapphire Future"

Iggy Tan
Managing Director

Altech Chemicals
Limited

Altech Chemicals
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Our Vision

To be a world leading producer of 99.99% high purity alumina (HPA)

Altech Chemicals Limited

- Australian ASX Listed company
- New producer of 99.99% HPA
- Sapphire and lithium battery industries
- High end applications
- Specialise in “nano” particle technology
- Mineral deposit in Western Australia
- Chemical plant in Johor, Malaysia

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Benefits of being an Altech Customer

- High quality and consistency
- Priority customer – Security of supply
- Owned feedstock – reliable supply
- Asia pacific – minimise holding costs
- State of the art packaging – less waste
- Batch analysis – accurate formulations
- Quality product tracking system
- Free testing service

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Future of HPA

- Shortage of HPA supply
- Demand will outweigh new supply
- Shift to “nano” particle technology
- Upward pressure on pricing
- Supply cannot be guaranteed by others
- Altech to be dominant new supplier

Altech's Differentiation

Current HPA Producers

Bauxite

Alumina Refinery

Smelter Grade Alumina 99.8%

Alumina Smelter

Aluminium Metal

US$3,000 per tonne

Aluminium Dissolution

99.99% HPA

Aluminous Clay

ALTECH HPA PLANT

One Single Process Step

99.99% HPA

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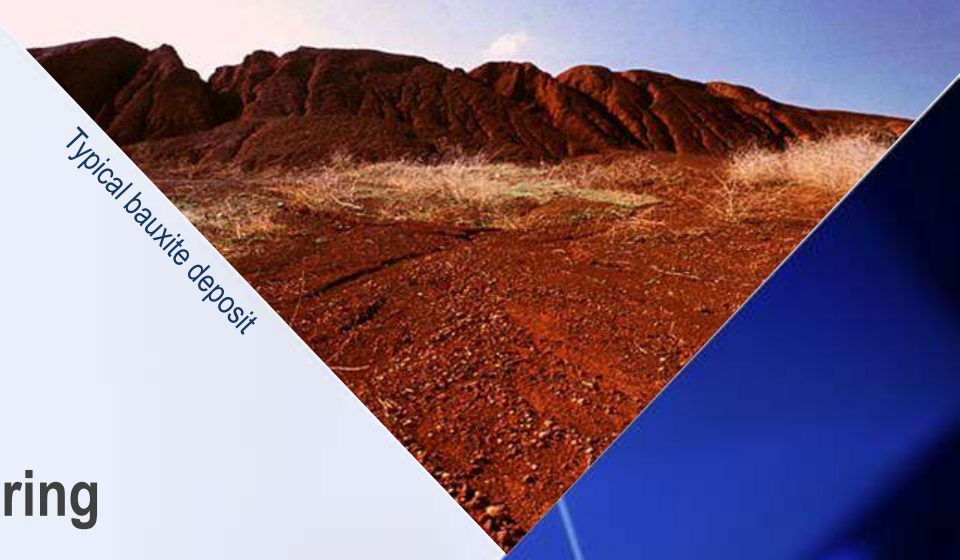

- Processed by mother nature
- Very low Iron (Fe) due to weathering
- Silica is non reactive – easily removed

	Bauxite Darling Range *	Canadian HPA Project	Altech HPA Project
Al_2O_3 (%)	34.5	22.77	30.5
SiO_2 (%)	21.5	53.29	56.3
Fe_2O_3 (%)	21.2	8.36	0.7
TiO_2 (%)	2.00	0.98	0.7
K_2O (%)	0.24	3.41	0.1
NaO (%)	0.005	1.42	0.1

Typical Mean Analysis

Low-impurity Aluminous Clay Feedstock

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Meckering Kaolin Deposit

- Altech owns 100% of deposit in W Aust
- Low environmental impact
- 11 Mt JORC Resource
- > 250 year mine life
- 130kms from Fremantle Port
- Mining lease granted

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Altech's HPA Process

- Use a standard HCl leach process
- Developed in 1980's by alumina industry
- Couldn't compete with Bayer SGA costs
- But great at producing HPA (no sodium ions)
- However little demand of HPA in 1980s

- Demand of HPA is here today

Altech Business Strategy

New HPA Demand + Established Process + Great Deposit + Experienced People
→ Shareholder Value

"the last piece of the puzzle is in place"

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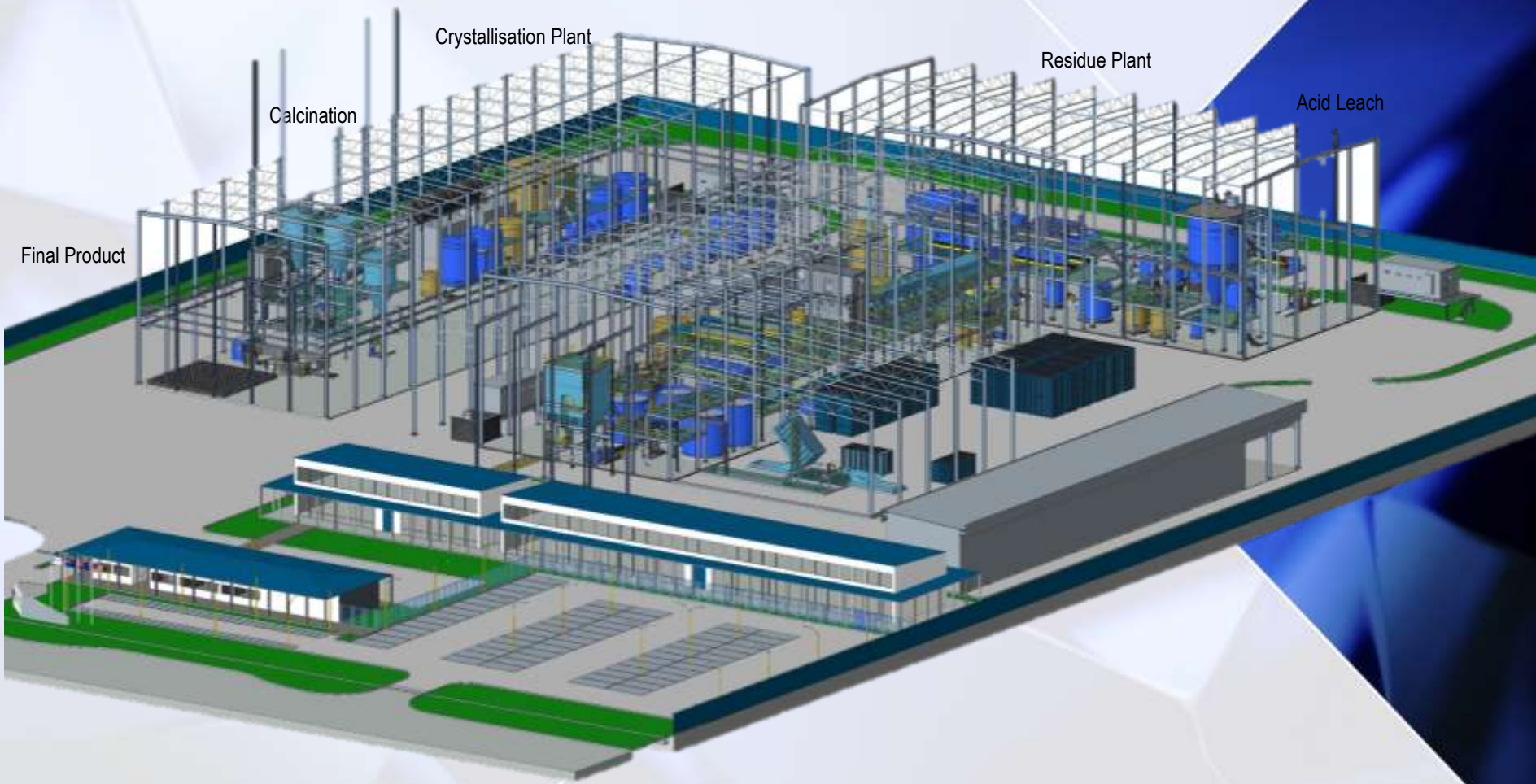
HPA Site Location Johor

- Lower quartile costs
- Kaolin feedstock shipped from WA
- Chemical industrial park
- Sea container ports
- Site secured
- Malaysian government incentives

Altech's HPA Plant - Malaysia



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Customer Benefits

High End Applications

Highest grade 4N HPA for the sapphire and lithium battery markets.

Guaranteed Supply

Become a priority customer - guaranteed supply during times of worldwide HPA shortage

Quality & Consistency

Highly-automated, continuous German process plant - consistency of product quality

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Customer Benefits

Product Supply Reliability

Altech owns it's feedstock - reliable and consistent product supply is guaranteed

Asia-Pacific Supplier

Based in Asia, close to customers resulting in lower inventory costs

State-of-the-art Packaging

Fully automatated German packaging ensures clean deliveries and no losses

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Customer Benefits

Product Analysis

Individual batch analysis allows accurate batch formulations for customers

Expansive Distribution Network

Utilises Mitsibishi's distribution network in over 90 countries worldwide

Product Tracking System

Batch analysis accessible anywhere around the world via secured online customer portal

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Customer Benefits

Free Testing Service

Provides customers with free testing anywhere around the world

Monthly SPC Analytical Reports

Regular statistical process control data can be assessed by all customers

Professional Technical Service

Highly-qualified technical personnel from Altech and Mitsubishi will be available to respond to customer queries

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Product Specification

CHEMICAL CONTENT			
		Typical	Specs
Alumina	Al_2O_3	99.99%	>99.99%
Silica	Si	4 ppm	<20 ppm
Sodium	Na	2 ppm	<10 ppm
Magnesium	Mg	1 ppm	<10 ppm
Calcium	Ca	0.5 ppm	<10 ppm
Iron	Fe	3 ppm	<10 ppm
Copper	Cu	1 ppm	<10 ppm

Crystal Structure		α
Appearance		White Powder
Mean Particle Size (D_{50})	µm	0.4-0.7
Loose Bulk Density	g/cm^3	0.3-0.5
Tapped Bulk Density	g/cm^3	0.6-0.9
BET Surface Area	m^2/g	4-8

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Timeframe to market

- Debt funding finalised end Q4 2016
- Site works commencing Q2 2017
- First product due early 2019