

8 January 2024

ALTECH – FUNDS RECEIVED FOR SALE OF 25% of ALTECH INDUSTRIES GERMANY

Altech Batteries Limited (Altech/the Company) (ASX: ATC and FRA: A3Y) is pleased to advise that it has received the final instalment of Deferred Consideration from Altech Advanced Materials AG (AAM), in relation to the sale of 25% of Altech's subsidiary Altech Industries Germany GmbH (AIG). The amount received is €1,583,333.

On 23 December 2020, Altech announced that it had finalised the sale of 25% of its German subsidiary AIG for €5.0 million, with the Company to retain ownership of the remaining 75%. The Initial Cash Consideration of €250,000 was received upon the signing of the Share Sale and Purchase Agreement, with Deferred Consideration amounting to €4.75 million, payable in three equal instalments of €1.583 million. Altech had previously received the first two instalments, with the final instalment of €1.583 million now also received.

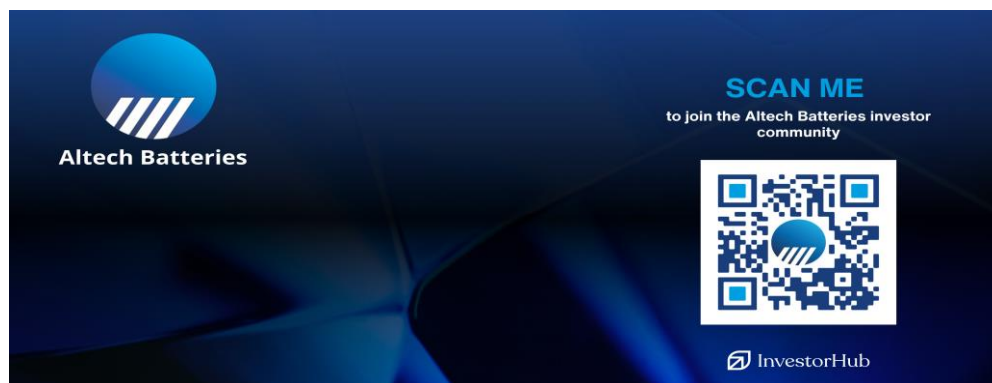
Managing Director Iggy Tan commented that *"We are very pleased with the support of AAM in relation to the acquisition of the 25% of AIG, with AIG being the holder of Altech's Silumina Anodes™ battery materials project. Altech continues with the construction of the Silumina Anodes™ pilot plant on Altech's land in Saxony, Germany, and has recently announced the Definitive Feasibility Study for the full-scale 8,000tpa plant, that includes an impressive NPV₍₁₀₎ of €684 million and a payback period of 2.4 years. Altech intends to produce 120kg per day of the Silumina Anodes™ product from the pilot plant, which will then be used to assist in securing an offtake agreement with an end user. Altech already has Non-Disclosure Agreements in place with some of the world's biggest automobile manufacturers. The receipt of the Deferred Consideration for €1,583,333 is well received and will be used for advancing Altech's Silumina Anodes™ battery materials project as well as the CERENERGY® sodium-chloride solid state battery project"*.

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Authorised by: Iggy Tan (Managing Director)

Altech's Interactive Investor Hub

Altech's interactive Investor Hub is a dedicated channel where we interact regularly with shareholders and investors who wish to stay up-to-date and to connect with the Altech Batteries leadership team. Sign on at our Investor Hub <https://investorhub.altechgroup.com> or alternatively, scan the QR code below.



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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 Alumina Solid State (SAS) 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.

Silumina Anodes™