

**ASX RELEASE****EMBARGO 11am (AEST)****16 October, 2013**

Media contact:

Digital Mantra Group PR

TEAM@DMGPR.COM

Australia +61 2 8006 0424

USA +1 650 798 5238

ALGAE.TEC RAISES \$1,000,000 FOR KEY PROJECTS

Algae.Tec (ASX: AEB, OTCQX: ALGXY) has raised AU\$750,000, with an additional \$250,000 in 2 months. The consideration for this has been a Platinum Bond to sophisticated investors. The bond has been issued with pre-paid interest of 7.5%. The advisor to this issue is Platinum Road Pty Ltd.

The funds will be utilised to progress key projects and for general working capital including repayment of existing loans.

The bonds are repayable in 12 months or may be converted into shares at a conversion price of \$0.22 cents. .

Algae.Tec technology images:

<http://algaetec.com.au/news-room/image-gallery/>

About Algae.Tec www.algae-tec.com



Algae.Tec Ltd, founded in 2007, is an Australian advanced renewable oil from algae company that has developed a high-yield enclosed algae growth and harvesting system. The Company has offices in Atlanta, Georgia and Perth, Western Australia. The Algae.Tec bioreactor, an enclosed modular engineered technology, is designed to grow non-GMO algae on an industrial scale, and produce algae products including biofuels that replace predominantly imported fossil fuels. The Algae.Tec solution is less than one tenth the land footprint of pond growth options, while its enclosed module system is designed to deliver the highest yield of algae per hectare, and solves the problem of food-producing land being turned over for biofuel production.