



Altech Chemicals
Limited

ASX ANNOUNCEMENT AND MEDIA RELEASE

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ALTECH APPOINTS HPA SALES AND MARKETING MANAGER, CHINA

Altech Chemicals Limited (Altech/the Company) (ASX: ATC) is pleased to announce the appointment of Mr Martin Ma as the Company's sales and marketing manager (China). This key appointment marks an important step as the Company progresses its marketing strategy for the high purity alumina (HPA) project specifically for the Asia Pacific region. This appointment follows the previous announcement regarding Altech's sales and distribution agreement with Mitsubishi Corporation on 24 September 2015. The agreement appoints Mitsubishi as the exclusive seller and distributor of Altech's final HPA product to the Japanese market.

Mr Ma is highly experienced in sales management of high purity feedstock materials to Chinese industries such as the lithium battery and electrical vehicle industries. Mr Ma is a chemistry engineering graduate from the Henan University Chemistry Institute in China. His background in lithium battery separators and electrolyte technology, which are fast-growing markets for HPA, will be invaluable for the Company's future HPA sales and distribution. HPA is used in the coatings of battery separators to increase discharge rates; lower self-discharge; and lengthen life cycles. With the projected growth of electric vehicles in China, HPA use in this application is expected to be strong.

Mr Ma was previously sales and marketing manager for Galaxy Lithium and was involved in the establishment of the lithium carbonate market in north and central China. Some of Mr Ma's noteworthy positions include senior sales manager (Boston Power China Company Ltd); sales supervisor (Sony China Company Ltd); sales manager (Huanyu Power Company Limited).

Altech managing director, Mr Iggy Tan said *"Mr Ma's appointment is another key step in the sales and marketing strategy for the Asia Pacific region. Mr Ma's role will involve the development of our HPA business in China and to establish off-take agreements. Altech continues to build a strong and experienced management team in preparation for its emergence as a significant producer of high purity alumina"* he said.

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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) (Al₂O₃).

HPA is a high-value, high margin and highly demanded product because 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 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 hydrogen chloride (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 the aim of commencing project development in Q1-2016.

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.

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