

ANTARIA ANNOUNCES CAPITAL RAISING OF UP TO \$4.5 MILLION

Highlights

- Capital raising to accelerate development, increase production efficiency and to drive revenue growth
- Underwritten non-renounceable rights issue to raise approximately \$3 million
- A proposed share placement to raise approximately \$1.5 million
- New equity to be raised at 1.3 cents per share

Antaria Limited is pleased to announce a capital raising program to raise gross proceeds of approximately \$4.5 million, to accelerate the Company's development, increase production efficiency and to drive revenue growth.

The funds will be raised by a combination of an underwritten non-renounceable rights issue (on a 1 for 1 basis) to existing shareholders followed by a share placement. The offers are priced at 1.3 cents per share, offering both existing shareholders and new investors the opportunity to subscribe for shares at an attractive price. The lead underwriter for the rights issue is KTM Capital Pty Limited.

Shares to be issued will rank equally with existing ordinary shares on issue. The rights issue will be made to residents of Australia, New Zealand and other countries where it is lawful to make the rights issue. The rights issue will result in the issue of 235,169,575 new shares in Antaria raising approximately \$3,057,205 (before expenses of the rights issue). Following completion of the rights issue, Antaria will have 470,339,150 fully paid ordinary shares on issue and 10,090,910 unlisted options.

Antaria intends to use the funds raised to accelerate development of new products with a particular focus on accelerating the development of new variants of its flagship ZinClear-IM[®] product to complement the existing ZinClear-IM[®] dispersion (liquid) product range. The existing product range has seen sales growth of over 60% in the past two years. Proceeds will also be used to optimise Antaria's production capabilities with the goal of increasing capacity, improving quality and reducing overall production costs.

The record date for the rights issue is expected to be 7:00pm (EST) 1 September 2011. It is the Board's intention that the placement will be finalised following completion of the rights issue and will (at least in part) be subject to shareholder approval.

Full details of the terms and conditions of the rights issue will be contained in the offer document to be lodged with ASX and dispatched to shareholders in due course.

Antaria Chief Executive Officer Dr Deborah Cooper was very pleased to announce the capital raising program stating:

"We are pleased to offer shareholders an attractive investment opportunity to fund the next stage of Antaria's development as we progress towards our goal of profitability" Dr Cooper said.

"We are excited by the prospects of extending the range of our flagship ZinClear product by developing new variants of the product – this product extension is a low risk opportunity which provides access to a significantly larger market, including mass markets, new geographical regions and new product segments. We expect the new product line to be a material driver of future sales of the ZinClear-IM[®] range of products."

Important Dates:

| Event | Date |
|---|-------------------|
| Lodgement Date | 24 August 2011 |
| Despatch of Notice containing information required by Appendix 3B to Shareholders | 25 August 2011 |
| Ex Date | 26 August 2011 |
| Record Date | 1 September 2011 |
| Offer Document sent to Shareholders | 7 September 2011 |
| Closing Date | 21 September 2011 |
| Allotment Date | 29 September 2011 |
| Despatch Date | 29 September 2011 |
| Expected commencement of normal trading in new shares on ASX | 30 September 2011 |

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About Antaria:

Antaria Limited is a specialist developer of advanced intermediate materials used by the industrial, chemical and cosmetic sector.

ZinClear-IM[®] is Antaria's flagship product and is an innovative range of transparent, micron sized zinc oxide dispersions for use in a wide variety of suncare, skincare and cosmetic products. ZinClear-IM[®] offers a safe and effective mineral alternative to chemical UV absorbers. The range includes products certified by ECOCERT (France) and Natural Products Association (USA).

The growth of Antaria's ZinClear range has proven the ability of the company to successfully commercialise and build revenue streams from its intellectual property.

Based in Perth, Western Australia, Antaria services the international market via a global network of product distributors, including lead partners The Dow Chemical Company and Merck KGaA.

ZinClear, ZinClear-IM and Alusion are registered trademarks of Antaria Limited.