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ALTECH APPOINTS SGL AS HCL PARTNER FOR HPA PROJECT

Highlights

- Memorandum of Understanding with SGL Group as HCl system supplier
- Leading global expertise in materials and equipment for extreme environments
- Strengthens the Bankable Feasibility Study (BFS) team

Altech Chemicals Limited (Altech/the Company) (ASX: ATC) is pleased to announce that it has signed a Memorandum of Understanding ("MOU") with SGL Group ("SGL") as its partner for the supply and installation of the Hydrochloric Acid (HCl) gas generation, absorption, recovery and scrubbing plants for its high purity alumina (HPA) project.

The recovery, regeneration and concentration of hydrochloric acid are important steps in numerous processes in the Company's HPA plant. SGL is one of the world's leading manufacturers of carbon-based products and materials. It has a comprehensive portfolio ranging from carbon and graphite products to carbon fibers and composites. The company is a worldwide leading premium technology provider for chemical and related industry process systems, equipment (e.g. heat exchangers, columns) and after sales services. SGL's focus is on engineering advanced and sustainable solutions based on high-tech materials for challenging applications.

Commenting on the appointment of SGL by the Company, Altech's Managing Director, Iggy Tan explained: *"our strategy to appoint key equipment and plant suppliers at this stage of the HPA project will enhance the overall design. Specifically, SGL are the experts in the recovery, regeneration and concentration of hydrochloric acid which is an integral part of our process. This will ultimately position the Company for a rapid transition to final detailed design, long lead item procurement and the commencement of construction following the completion of the BFS."*

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For more information, please contact:

Corporate

Iggy Tan
Managing Director
Altech Chemicals Limited
Tel: +61 8 6168 1555
Email: info@altechchemicals.com

Media Contact

Tony Dawe
Consultant
Professional Public Relations
Tel (office): +61 8 9388 0944
Email: tony.dawe@ppr.com.au

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 product because it is the major source material for scratch-resistant artificial sapphire glass. Sapphire glass is used to produce a range of high-performance electronic applications such as LEDs, semi-conductors, phosphor display screens, as well as new emerging products such as smartphones and tablet devices. The global HPA market is approximately 19,040tpa (2014) and 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 produces 4N HPA directly from an ore feedstock, aluminous clay, from its Meckering deposit in Western Australia. The Company is now advancing a Bankable Feasibility Study (BFS) to develop a full-scale **4,000tpa HPA production** facility. The Altech process employs conventional and proven "off-the-shelf" plant and technology to extract HPA from its **low-cost** and **low-impurity** aluminous clay feedstock, which results in **lower operating costs**.

Altech is a chemical processing group focused on creating a high-margin product to meet the growing global demand for the next generation of high-performance technologies.



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.