



7 August 2023

ALTECH –ENTITLEMENT OFFER & SHARE PLACEMENT TO ADVANCE BATTERY PROJECTS

Highlights

- Launch of \$8.5 million pro-rata Entitlement Offer to existing eligible shareholders
- Entitlement Offer partially underwritten for \$5 million by existing shareholder MAA Group Berhad, an entity related to Altech director Tunku Yaacob Khyra
- Altech additionally raises \$405,000 through a placement to sophisticated and professional investors
- Participants in placement and Entitlement Offer to receive free attaching options on the basis of 1 option for every 2 shares held with exercise price of \$0.06 and expiry 31 December 2025
- Application will be made to ASX for listing of shares and options
- Funds will be used to further progress the CERENERGY® and Silumina Anodes™ Projects

Altech Batteries Limited (Altech/Company) (ASX: ATC) (FRA: A3Y) announces a total capital raising of up to approximately \$8.9 million, comprising the issue of up to 223,946,491 fully paid ordinary shares in the capital of the Company (Shares) at an issue price of \$0.04 per Share (“Capital Raising”). Participants in the placement and Entitlement Offer will also receive free attaching options on the basis of one (1) option for every two (2) shares held, with each option having an exercise price of \$0.06 and expiry date of 31 December 2025.

Managing Director Mr Iggy Tan stated “*We are pleased with the outcome of the capital raise, and to have Altech director and Malaysian Prince Tunku Yaacob Khyra’s related entity, major shareholder MAA Group Berhad, partially underwrite the Entitlement Offer for \$5.0 million, is very pleasing. The capital raising has come at an exciting time for Altech, as we progress with the commercialisation of the 120MWh CERENERGY® battery project, as well as commissioning of our Silumina Anodes™ pilot plant*”.

Capital Raising

The Capital Raising comprises:

- a single tranche placement of 10,125,000 Shares to sophisticated and professional investors at an issue price of \$0.04 per Share to raise \$405,000 (“Placement”). Participants in the Placement will also receive free attaching options on the basis of one (1) option for every two (2) shares held, with each option having an exercise price of \$0.06 and expiry date of 31 December 2025; and
- a proposed partially underwritten non-renounceable Entitlement Offer of 1 Share for every 8 Shares held by Eligible Shareholders (defined below) at the same issue price as the Placement of \$0.04, to

raise up to approximately \$8.5 million (“Entitlement Offer”). Participants in the entitlement offer will also receive free attaching options on the basis of one (1) option for every two (2) shares held, with each option having an exercise price of \$0.06 and expiry date of 31 December 2025.

It is proposed that the Shares under the Placement will be issued on 14 August 2024 and will be issued out of the Company’s available capacity under Listing Rules 7.1. The Options under the Placement will need to be applied for pursuant to the Entitlement Offer Prospectus.

Full details of the Entitlement Offer (including the record date and eligibility requirements) will be set out in the Prospectus expected to be lodged with ASIC in accordance with the timetable set out below.

Underwriting

Altech Director Tunku Yaacob Khyra’s related entity, MAA Group Berhad, has agreed to partially underwrite the Entitlement Offer for \$5,000,000 (125,000,000 Shares which includes MAA Group Berhad taking up its entitlement under the Entitlement Offer), being a total of 58% of the maximum amount to be raised under the Entitlement Offer.

Under the terms of the underwriting agreement with MAA Group Berhad, the Company will pay MAA Group Berhad a fee of 6% of the amount underwritten.

Eligible Shareholders and Applying for Shares under the Entitlement Offer

The Entitlement Offer is open to all eligible shareholders who have a registered address within Australia, New Zealand, Germany, Malaysia, Switzerland and Singapore and who hold shares on Tuesday, 13 August 2024 (Eligible Shareholders), and will close on Tuesday, 27 August 2024 (unless otherwise extended by the Board).

All Shares issued will rank equally with existing Shares on issue and the Company will apply for quotation of the new Shares and Options issued pursuant to the Entitlement Offer. A personalised Entitlement and Acceptance Form will be sent to eligible shareholders shortly after the record date of Tuesday, 13 August 2024.

Shortfall

The Entitlement Offer includes a shortfall facility under which Eligible Shareholders that have taken up their full entitlement under the Entitlement Offer can apply to take up additional Shares (“Shortfall Shares”) in excess of their pro rata entitlement (“Shortfall Entitlement Offer”). The Shortfall Entitlement Offer may also be offered to third parties introduced by the Company. The Shortfall Entitlement Offer is a separate offer made pursuant to the Prospectus and will remain open for up to three (3) months following the Closing Date (as outlined below). The securities issued under the Shortfall Entitlement Offer will have the same terms as those issued under the Entitlement Offer.

All decisions regarding the allocation of Shortfall Shares will be at the sole-discretion of the directors in and will be final and binding on all applications under the Shortfall Entitlement Offer. As such, there is no guarantee that any Shortfall Shares will be issued to applicants.

Intended Use of Funds

The funds raised under the Entitlement Offer will be used for:

- Furthering process of securing plant finance and offtake for CERENERGY® project.
- Completion of fabrication of two 60kWh battery prototypes for CERENERGY® project.
- Finalise commissioning of the Silumina Anodes™ pilot plant.
- Corporate costs and working capital.

Key Dates

Announcement of Placement, Entitlement Offer & Appendix 3B lodged with ASX	Wednesday, 7 August 2024
Lodgement of Prospectus with ASIC & ASX	Wednesday, 7 August 2024
Ex date	Monday, 12 August 2024
Record Date for determining Entitlements	Tuesday, 13 August 2024
Issue of Placement Shares	Thursday, 14 August 2024
Offer opening date, Prospectus sent out to Shareholders and Company announces this has been completed	Friday, 16 August 2024
Last day to extend the Closing Date of Offers	Thursday, 22 August 2024
Closing Date of Offers as at 5:00pm*	Tuesday, 27 August 2024
Securities quoted on a deferred settlement basis	Wednesday, 28 August 2024
ASX and Underwriter notified of under subscriptions	Friday, 30 August 2024
Underwriter subscribes for Shortfall under terms of Underwriting Agreement (up to the Underwritten Amount)	Monday, 2 September 2024
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the Securities	Tuesday, 3 September 2024
Quotation of Securities issued under the Offers*	Wednesday, 4 September 2024

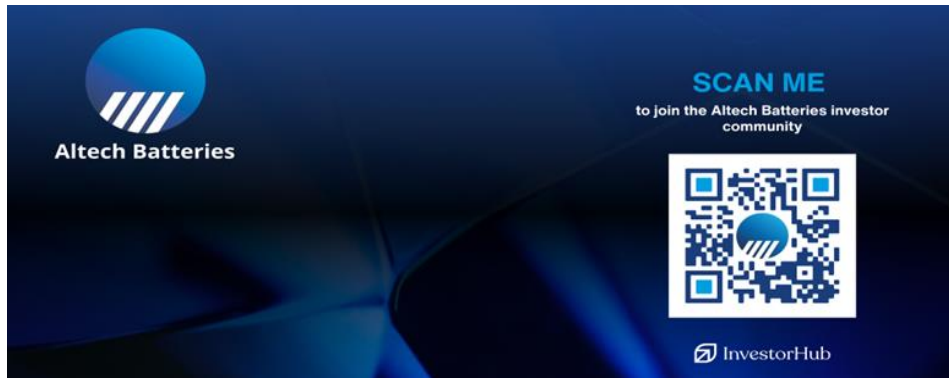
¹ Timetable is indicative only and subject to change. Altech reserves the right to close the book early and without notice

Authorised by: Iggy Tan (Managing Director)

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Altech Batteries Interactive Investor Hub

Altech's interactive Investor Hub is a dedicated channel where management interacts 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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Corporate

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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 government battery institute Fraunhofer IKTS (“Fraunhofer”) to commercialise the revolutionary CERENERGY® Sodium Chloride Solid State (SCSS) 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 120 MWh 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 finalised a Definitive Feasibility Study to commercialise an 8,000tpa silicon alumina coating plant in the state of Saxony, Germany to supply its Silumina Anodes™ product to the burgeoning European electric vehicle market.

This Company’s game changing technology incorporates 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 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 Definitive Feasibility Study for the construction of a 8,000tpa Silumina Anodes™ material plant at AIG’s 14-hectare industrial site within the Schwarze Pumpe Industrial Park in Saxony, Germany. The European silicon feedstock supply partner for this plant will be 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 German and North American automakers and battery material supply chain companies.

