



Altech Batteries
Limited

ASX ANNOUNCEMENT AND MEDIA RELEASE

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ALTECH - SECOND OFFTAKE LETTER OF INTENT FOR CERENERGY® GRIDPACKS

Highlights

- Strategic Offtake Letter of Intent agreement
- Executed with Referenzkraftwerk Lausitz GmbH (RefLau)
- Joint Venture of utility companies Enertrag SE and Energiequelle GmbH
- Offtake for 30MWh in first year, then rising to 32MWh in subsequent years
- For the first five (5) years of production
- Agreement for Altech to purchase renewable electricity

Altech Batteries Limited (ASX: ATC, FRA: A3Y) is pleased to announce the execution of a second Offtake Letter of Intent between Referenzkraftwerk Lausitz GmbH (RefLau) and Altech Batteries GmbH. RefLau is a joint venture between utility companies Enertrag SE (Enertrag) and Energiequelle GmbH.

Under this Offtake Letter of Intent (LOI), RefLau will purchase 30 MWh of CERENERGY® energy storage capacity in the first year, then 32 MWh per year thereafter for the next four years of production. As part of the LOI, it was further agreed that Altech will purchase green electricity at competitive prices directly from the partners in the region for the planned production plant.



Enertrag SE is part of the Uckerwerk Energietechnik GmbH group and is a leader in renewable energy, specialising in wind turbines, solar power, and Power-to-Gas systems. Headquartered in Brandenburg, Germany it operates across Germany, France, Ghana, Namibia, Poland, Spain, South Africa, Uruguay, the UK, and Vietnam, integrating battery storage solutions.

Energiequelle GmbH, headquartered in Zossen, Germany, with branches in multiple countries, focuses on renewable energy projects like wind, biomass, and solar power. The company aims to produce and market

green hydrogen, partially converting it back to electricity. It plans a facility near Altech with wind, solar systems, and a direct power line to RefLau.

RefLau, a joint venture involving Enertrag, Energiequelle, and research institutions, aims to develop a reference power plant powered solely by renewable energy, including green hydrogen. It seeks to mitigate supply gaps from solar and wind intermittency, enhancing grid stability with sector coupling and battery storage solutions.

Altech, Enertrag, and Energiequelle plan to collaborate by using green electricity for Altech's battery plant and potentially acquiring Altech's CERENERGY® storage systems. This would stabilise renewable energy output, ensuring continuous power and enabling hybrid power islands. In 2020, Germany's Bundestag and Bundesrat passed laws to phase out coal, compensating the lignite industry and supporting structural changes. The partners are focusing on developing the Schwarze Pumpe industrial park as a pilot for standardised clean energy projects across Europe and beyond.

The partners aim to negotiate electricity contracts to power Altech's planned battery plant with green energy from Enertrag and Energiequelle's facilities. The partnership aims to develop a standard hybrid power island using 80MW of solar and wind energy, incorporating 32 Altech CERENERGY® 1MWh GridPacks, with Enertrag and Energiequelle purchasing the storage units. This then standardised solution is to be applied all over Europe for decentralised energy solutions. These decentralised standalone energy solutions, referred to as an "Energy Island", are capable to support and be integrated into the existing power grid and therefore are considered as the preferred, cost-effective solution.

Enertrag & Energiequelle, being leading utility and energy solution providers in Europe, plan to purchase CERENERGY® GridPack batteries from Altech, with deliveries anticipated to commence in Q4-2026. The purchase includes a 30MWh target for 2027, and discounts based on electricity supply agreements, with performance guarantees. Preliminary purchase targets are 30MWh in 2027, 32MWh in 2028, 32MWh in 2029-2031.

Key Terms of the Agreement

- Start of delivery approximately Q4-2026 at the earliest and subsequent to commissioning of the Altech production plant and the Lausitz reference power plant
- Technical data and guarantees according to the data sheet
- Confidential price per GridPack has been agreed
- Preliminary purchase targets are 30MWh in 2027, 32MWh in 2028, 32MWh in 2029-2031
- GridPack Control Unit as an interface between EMS and BMS included in price

In addition, RefLau, the green hydrogen pilot project joint venture between Enertrag and Energiequelle, plans to purchase 10MWh CERENERGY® GridPack batteries from Altech for its plant in Schwarze Pumpe, which will permit a close working relationship between the companies and enable Altech to enter the important hydrogen business segment in which conventional lithium-Ion batteries cannot be applied due to their safety risk.

Management Comment - CEO Iggy Tan

“The interest shown by RefLau in Altech’s technology is a clear signal of growing demand for innovative energy storage solutions, particularly as industries shift toward 100% renewable energy. It’s encouraging to see potential customers like RefLau recognising the value of our scalable and reliable battery systems. This second Letter of Intent marks a significant milestone for Altech Batteries as it represents our second offtake agreement for the CERENERGY® GridPack Battery Energy Storage System and more so means that the first two years of production is spoken for and 50% of the 3 following years”.

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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.

