



22 June 2022

## **ALTECH – SILUMINA ANODES™ PILOT PLANT CONSTRUCTION CONTRACT EXECUTED**

### **Highlights**

- Silumina Anodes™ pilot plant construction contract executed with Küttner GmbH & Co
- Final plant engineering design and cost estimation completed
- Strong experience in delivering metallurgical plant projects
- Long lead items procurement has already commenced

Altech Chemicals Limited (Altech/Company) (ASX: ATC) (FRA: A3Y) is pleased to announce that following a site visit this week by Altech's senior management in Saxony, Germany, a final construction contract for the Silumina Anodes™ pilot plant with Küttner GmbH & Co. KG (Küttner) was executed.

German engineering firm Küttner has completed the final plant engineering design and cost estimation. The Basic Engineering phase has confirmed key design parameters, locking in key equipment capacities and validating operational criteria. Küttner will immediately commence the procurement process, and construction of the pilot plant will follow when equipment begins arriving towards the back end of this year. The pilot plant is designed to produce 120kg per day of Silumina Anodes™ coated battery anode material, which will be made available to selected European battery manufacturers and auto-makers. The pilot plant will be established in Dock3 (leased warehouse space), next door to Altech's land in Schwarze Pumpe Industrial Park in Saxony, Germany.



**Figure 1 – Iggy Tan MD Altech signing the construction contract with Jan Meier-Kortwig, MD of Kuttner**

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Altech, with its cash position at the end of March 2022 of A\$11.571 million, is well funded to construct and complete the pilot plant. The pilot plant is estimated to cost A\$7.177 million, of which A\$5.382 million will be funded by Altech (75% owner) and A\$1.794 million will be funded by Altech Advanced Materials AG (25% owner).

Küttner is a German-based industrial plant engineering and EPC contractor, with strong experience in design, procurement, project and construction management and plant commissioning across a range of industries. They have previously completed metallurgical plant, water and off-gas treatment projects in Germany. Küttner bringing valuable local knowledge to the execution of the project.

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Authorised by: Iggy Tan (Managing Director)

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### **About Altech Chemicals Ltd (ASX:ATC) (FRA:A3Y)**

Altech Chemicals ("Altech" or "Company") is a specialty battery materials technology company that has licenced its proprietary high purity alumina coating technology to 75% owned subsidiary Altech Industries Germany GmbH (AIG), which has commenced a definitive feasibility study for the development of a 10,000tpa silicon/graphite alumina coating plant in the state of Saxony, Germany to supply its Silumina Anodes™ product to the burgeoning European electric vehicle market.

This Company recently announced its game changing technology of incorporating high-capacity silicon in 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 graphite product is registered as Silumina Annodes™.

The Company is in the race to get its patented technology to market and recently announced the results of a preliminary feasibility study (PFS) for the construction of a 10,000tpa Silumina Anode™ material plant at AIG's 14 hectare industrial site within the Schwarze Pumpe Industrial Park in Saxony, Germany. The European graphite and silicon feedstock supply partners for this plant will be SGL Carbon and 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 two German automakers as well as a European based battery company.

Silumina Anodes™

### **HPA Project**

Altech is also further aiming to become a supplier of 99.99% (4N) high purity alumina ( $Al_2O_3$ ) through the construction and operation of a 4,500tpa high purity alumina (HPA) processing plant at Johor, Malaysia, and has finalised Stage 1 and Stage 2 construction of its HPA plant in Johor, Malaysia. Feedstock for the plant will be sourced from the Company's 100%-owned near surface kaolin deposit at Meckering, Western Australia and shipped to Malaysia. The HPA project is significantly de-risked with a bankable feasibility study completed, senior lender project finance from German government owned KfW IPEX-Bank approved, and a German EPC contractor appointed – with initial construction works at the site completed. In addition to the senior debt, conservative (bank case) cash flow modelling of the HPA plant shows a pre-tax net present value of USD 505.6million at a discount rate of 7.5%. The project generates annual average net free cash of ~USD76million at full production. Altech is in the final stages of project finance with a potential raising of US\$100m of secondary debt via the listed green bond market. In addition, US\$100m of project equity is being sought through potential project joint venture partners.

