



25 March 2025

ALTECH – AGREEMENT TO SECURE €2.5M IN FUNDING

Highlights

- Altech, subject to receipt of shareholder approval, will have the ability to drawdown up to €2.5M in cash funding
- Agreement reached with major shareholder Deutsche Balaton AG to provide funding
- Funding to be provided as Bearer Bonds with interest payable at 7.0% per annum
- Bearer Bonds secured by Altech's Malaysian land
- Repayment of the Bearer Bonds anticipated to be from sale of Altech's Malaysian land
- Shareholder meeting to approve facility anticipated for late April 2025

Altech Batteries Limited (Altech/the Company) (ASX: ATC, FRA: A3Y) is pleased to advise that it is in the process of selling its land in Johor to help fund the ongoing development of the CERENERGY® battery project and the Silumina Anodes™ battery materials project, as well as to support general working capital requirements. The Company has also entered into a binding Bond Note Subscription Deed with its major shareholder Deutsche Balaton AG, under which Altech can drawdown up to €2.5M in cash in the form of interest-bearing Bearer Bonds.

This funding will allow Altech to progress with its projects without the dilutionary impact to shareholders of a capital raise via a share issue. The repayment of the Bearer Bonds is secured by Altech's Malaysian land and requires Altech shareholder approval, and a General Meeting is anticipated to be convened in late April 2025.

Key terms of the Subscription Agreement are as follows:

- Total Bearer Bond facility of up to €2.5M to be drawdown in €500K amounts with interest payable at 7.0% per annum.
- Altech shareholders approving the grant of security to Deutsche Balaton AG over its Malaysian land in accordance with any requirement of the ASX, or the ASX granting a waiver from any requirement of the listing rules to obtain shareholder approval.
- a Security and Security Trust Agreement has been entered into under which Altech's 100% owned subsidiary Altech Chemicals Sdn Bhd has pledged security over its Malaysian land as well as a guarantee of repayment of the Bearer Bonds.
- Repayment of Bearer Bonds by maturity date of 31 October 2026.
- Default clauses applicable standard for Subscription Deeds of this nature.

Altech has placed its Malaysian land in Johor on the market for sale. Proceeds from the sale of the land are expected to provide sufficient funds to enable the Bearer Bonds to be repaid in full.

Further information in relation to the General Meeting as well as the sale of the Malaysian land will be provided to the ASX in due course.

End

Authorised by: Iggy Tan (Managing Director)

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.

