

ASX ANNOUNCEMENT  
(ASX: ANO)

22 JUNE 2007

## APPENDIX 3B – NEW ISSUE ANNOUNCEMENT, APPLICATION FOR QUOTATION OF ADDITIONAL SECURITIES AND AGREEMENT

<b>Name of entity</b>	Advanced Nanotechnology Limited
<b>ABN</b>	54 079 845 855

We (the entity) give ASX the following information.

### PART 1 – ALL ISSUES

1	Class of securities issued or to be issued	Unlisted options to acquire fully paid ordinary shares
2	Number of securities issued or to be issued (if known) or maximum number which may be issued	1,200,000
3	Principal terms of the securities (e.g. if options, exercise price and expiry date; if partly paid securities, the amount outstanding and due dates for payment; if convertible securities, the conversion price and dates for conversion)	<p><u>Tranche 1</u> Number of options: 66,667 Vesting date: 12 February 2009 Expiry date: 11 February 2012 Exercise price: 20 cents per option</p> <p><u>Tranche 2</u> Number of options: 66,667 Vesting date: 12 February 2010 Expiry date: 11 February 2012 Exercise price: 20 cents per option</p> <p><u>Tranche 3</u> Number of options: 66,666 Vesting date: 12 February 2011 Expiry date: 11 February 2012 Exercise price: 20 cents per option</p> <p><u>Tranche 4</u> Number of options: 1,000,000 Vesting date: 22 June 2009 Expiry date: 21 June 2012 Exercise price: 20 cents per option</p>

4	Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?	No, shares issued on exercise of the options will rank equally in all respects with ordinary shares on issue
5	Issue price or consideration	Nil upon issue of options
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Issue of options pursuant to Employee Share Option Plan
7	Dates of entering securities into uncertificated holdings or despatch of certificates	Expected to be within 5 business days
8	Number and class of all securities quoted on ASX (including the securities in clause 2 if applicable)	Number – 167,771,202 Class – Fully paid ordinary shares
9	Number and class of all securities not quoted on ASX (including the securities in clause 2 if applicable)	Number – 22,065,361 Class – Options to acquire fully paid ordinary shares
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The same as previously disclosed with respect to ordinary shares on issue

**PART 2 – BONUS ISSUE OR PRO RATA ISSUE**

Not applicable

**PART 3 – QUOTATION OF SECURITIES**

Not applicable

**QUOTATION AGREEMENT**

Not applicable

Sign here:           D. Cesari            
Company Secretary

Dated: 22 June 2007

Print Name: Deana Cesari