
ASX ANNOUNCEMENT
(ASX: ANO)

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ADVANCED NANO AWARDED COMMERCIAL READY GRANT FUNDING

Advanced Nanotechnology Limited is pleased to announce that it has been awarded a grant of \$1.948 million under the Australian Government's Commercial Ready Program.

The grant will fund, on a dollar-for-dollar basis for two and half years, the development of a range of advanced coatings and films, known as transparent functional coatings, which incorporate nanopowders to show enhanced properties. Products that will be developed include transparent coatings and films that exhibit long life UV protection, combined UV and abrasion resistance, high conductivity/anti-static properties, tuneable refractive index, enhanced pearlescence, and films with UV and antimicrobial properties. Nanopowders of zinc oxide, alumina, zirconium oxide and ceria manufactured by Advanced Nano using its proprietary platform technologies will provide the key ingredients for these products.

Dr. Paul McCormick, Advanced Nano's CEO stated "The Company has identified transparent functional coatings as an important strategic growth area for its nanopowders and nano-ingredients. The award of the Commercial Ready Grant will enable fast-tracking of our product development activities to extend the technology edge we currently enjoy as a manufacturer of high quality nanoparticles and a leading developer of applications of nanomaterials products."

Industry Minister Ian Macfarlane congratulated Advanced Nanotechnology on being awarded the grant. "Nanotechnology will be as influential in this century as information technology was in the last," Mr. Macfarlane said. "The Australian Government is committed to helping companies, such as Advanced Nanotechnology, develop a globally focused nanotechnology capability in Australia as well as supporting and encouraging other nano companies and research institutions to expand their partnerships and alliances around the world."

EXAMPLE: TRANSPARENT FOOD PACKAGING

A specific example of a product to be commercialised by this project is transparent food packaging film. Existing chemical UV absorbers (used to prevent product deterioration and extend product shelf life) are known to migrate out of thin plastic films and in some cases, into the contents of the packaging. Replacing the chemical absorbers with dispersed zinc oxide nanoparticles provides the required UV protection and product stability, whilst remaining transparent, inert and stable within the film. In addition, zinc oxide nanoparticles can provide added benefits of antimicrobial behaviour, controlled gas permeability, as well as increased strength and toughness, all properties currently being sought by the food packaging industry in order to improve and lengthen shelf life of the product. Transparent food packaging film is a multi-billion dollar global market.

COMMERCIAL READY

The Australian Government's Commercial Ready program is a competitive merit-based grant program which supports innovation and its commercialisation by supporting research and development, proof of concept and early stage commercialisation activities. Successful applicants are selected following a thorough technical review by the Commercial Ready's Industry Research and Development (IR&D) Board. The evaluation criteria utilised by the IR&D Board to assess

such applications include: the commercial potential of the project, the technical strength of the project, the Company's intellectual property position, management capability and the national benefits of the project.

ADVANCED NANOTECHNOLOGY LIMITED

Advanced Nano develops, manufactures, and sells advanced nanomaterials products worldwide that deliver significant performance and value improvements to its customers' products, and is the only Australian public company to successfully operate in the rapidly expanding global nanomaterials sector. Advanced Nano's MCP™ nanopowder manufacturing technology is a patented, platform technology that enables the production of a broad range of high quality nanopowders and nanomaterials. The Company has achieved early revenues and strong growth through high value, short time to market products where the high quality of its nanomaterials provides a clear competitive edge.

The Company's first products are in personal care, coatings, plastics and environmental catalyst markets where product transparency and functionality are required attributes. The products are manufactured and marketed under three parent brands: ZinClear® – sunscreen dispersions that allow SPF 30+ sunscreens containing only zinc oxide as the UV absorber; Alusion® – soft focus effect pigments for masking ageing effects; and NanoZ® – nano zinc oxide additives that allow stable UV absorber performance for coatings and plastics. Advanced Nano also manufactures Envirox™⁽¹⁾, a fuel borne nanocatalyst for use in diesel fuel, for UK-based Oxonica plc.

(1) Envirox™ is a trademark of the Oxonica group.

FURTHER INFORMATION

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