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ALTECH COMMENCES PERMITTING PROCESS FOR HPA PLANT IN MALAYSIA

Highlights

- Altech commences permitting process for HPA plant in Malaysia
- First stage of process involves the Preliminary Site Assessment (PAT)
- Altech's HPA plant is designed to meet both international and Malaysian standards

Altech Chemicals Limited (Altech/the Company) (ASX: ATC) is pleased to announce that it has commenced the permitting process for its high purity alumina (HPA) processing plant proposed to be located in the Tanjung Langsat Industrial Park, Johor Bahru, Malaysia. The Company has submitted a Preliminary Site Assessment (colloquially referred to as a "PAT"), to the Department of Environment, Malaysia, which is the first stage of Malaysia's approvals process for the project.

Altech's proposed HPA plant has been designed to meet international environmental standards as well as the standards of the Malaysian Environmental Quality Act (EQA) 1974. Specifically, Altech has designed its plant to ensure that all off-gasses that vent to exhaust stacks meet Malaysian environmental emission limits and that any discharges vented to the atmosphere pass through appropriate dust removal systems such as bag-houses or electrostatic separators. In addition, any potential hydrochloric acid (HCl) vapour streams will be cleaned via caustic scrubbers before venting to the atmosphere. Solid residue from the plant will predominantly be in the form of neutralised benign silica, which will be made available to local brickworks or cement plants. Any acidic residue from the plant will be neutralised and treated on-site and disposed in bulka bags via local vendors. All process water from the plant will be treated on-site to established environmental standards.

Local environmental consultant Daya Eco Techno Sdn Bhd (Daya) is retained by Altech to assist the Company in complying with Malaysian approvals processes. In general, the assessment of the PAT is based on the projects compatibility with respect to gazetted structure/local plans, surrounding land use, provision of set-backs or buffer zones, the capacity of the area to receive additional pollution load, and waste disposal requirements. As the preferred location for the plant is the Tanjung Langsat industrial complex, an established chemical park and designated chemical-industry zone, the Company does not expect any complications for permitting.

About Tanjung Langsat Industrial Complex

Tanjung Langsat is located approximately 40km to the south-east of the city of Johor Bahru and caters to light, medium to heavy industries. The industrial hub contains multinational production groups from petrochemical, oil and gas, resource-based, ferrous and non-ferrous metal, biofuel, marine, palm oil and oleochemicals. Major companies operating within the Tanjung Langsat industrial complex include major Spanish steel manufacturer Acerinox Group; Titan Petrochemicals; Kiswire; Dairen Chemicals; Dialog and Lion Eco Chemical.

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About Altech Chemicals (ASX: ATC)

Altech Chemicals Limited (Altech/the Company) is aiming to become one of the **world's leading** suppliers of **99.99% (4N) high purity alumina (HPA)** (Al_2O_3). HPA is a high-value product because it is the major source material for scratch-resistant artificial sapphire glass. Sapphire glass is used to produce a range of high-performance electronic applications such as LEDs, semi-conductors, phosphor display screens, as well as new emerging products such as smartphones and tablet devices. The global HPA market is approximately 19,040tpa (2014) and is expected to at least double over the coming decade.

Current HPA producers use an expensive and highly processed feedstock material such as aluminium metal to produce HPA. Altech produces 4N HPA directly from an ore feedstock, aluminous clay, from its Meckering deposit in Western Australia. The Company is now advancing a Bankable Feasibility Study (BFS) to develop a full-scale **4,000tpa HPA production** facility. The Altech process employs conventional and proven "off-the-shelf" plant and technology to extract HPA from its **low-cost** and **low-impurity** aluminous clay feedstock, which results in **lower operating costs**.

Altech is a chemical processing group focused on creating a high-margin product to meet the growing global demand for the next generation of high-performance technologies.



Forward-looking Statements

This announcement contains forward-looking statements which are identified by words such as 'anticipates', 'forecasts', 'may', 'will', 'could', 'believes', 'estimates', 'targets', 'expects', 'plan' or 'intends' and other similar words that involve risks and uncertainties. Indications of, and guidelines or outlook on, future earnings, distributions or financial position or performance and targets, estimates and assumptions in respect of production, prices, operating costs, results, capital expenditures, reserves and resources are also forward looking statements. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions and estimates regarding future events and actions that, while considered reasonable as at the date of this announcement and are expected to take place, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and readers are cautioned not to place undue reliance on these forward-looking statements. These forward looking statements are subject to various risk factors that could cause actual events or results to differ materially from the events or results estimated, expressed or anticipated in these statements.