



25 March 2015

## ASX Announcement

The Manager Announcements  
Company Announcements Office  
ASX Limited  
20 Bridge Street  
SYDNEY NSW 2000

### Algae for Nutraceutical Products

Algae.Tec is pleased to announce that following successful algae growth trials the Company has commenced the expansion of its development and manufacturing facilities in Cumming, Georgia and the building of an initial small scale plant for the production of algae for the nutraceutical market.

The current global market for all nutraceutical products is in excess of \$200 billion per year with approximately 50% of the global market being in the United States. Nutraceuticals are defined as primary nutrients for food products that not only supplement the human diet, but also facilitate the prevention or treatment of diseases and disorders.

On completion, scheduled to be within 6 months, it is expected that this initial plant will produce algae at the rate of 50,000 kilos of algae per year and generate revenues of \$1 million per year. It is planned that this initial production will be increased in stages to achieve a total production capacity up to 2,000,000 kilos per year.

The Company's algae development and manufacturing centre in Cumming, GA. is an ideal location for implementing this initial plant, taking advantage of the significant resources already in place and the readily accessible market. Incremental expansions of algae production capacity in Cumming will be funded by generated cash flow and equity, and will be followed by plants in different geographic locations including Australia.

Algae.Tec's main focus and resources are still concentrated on its contracts for developing its technology and building plants for the production of algae for renewable diesel and aviation biofuels, and carbon capture and use, however this nutraceutical plant division will produce revenue and positive cash flow and profits in a short time scale whilst diversifying the Company's customer and product base.

#### [www.algaetec.com.au](http://www.algaetec.com.au)

Algae.Tec Ltd, founded in 2007, is an Australian advanced renewable algae company that has developed a high-yield enclosed algae growth and harvesting system. The Company has offices in Atlanta, Georgia and Perth, Western Australia. The Algae.Tec bioreactor, an enclosed modular engineered technology, is designed to grow non- GMO algae on an industrial scale, and produce algae products including proteins, oils and biofuels. The Algae.Tec solution is less than one tenth the land footprint of pond growth options, while its enclosed module system is designed to deliver the highest yield of algae per hectare, and solves the problem of food-producing land being turned over for biofuel production.

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