

ASX Announcement

31 July 2020

AnteoTech Executes Key Strategic Initiatives

Highlights

Energy

- **Energy collaboration network expanded**
- **Large volumes of Generation 2 silicon composite shipped to collaborators**
- **Cross Linker Binder additive collaboration program in full swing**

Life Sciences

- **Subsequent to quarter end, COVID-19 operations reach critical milestone with successful completion of proof of concept high sensitivity rapid test.**
- **Sepsis test development gaining industry interest**
- **Progress on revenue generation through Life Science Services**
- **Increased revenue from Life Science raw material sales**

AnteoTech Limited (ASX: ADO) ("AnteoTech" or "the Company") is pleased to provide this update on activities for the quarter ended 30 June 2020.

Business Update

1. Energy

- Close to 0.5kg of Generation 2 composite has been produced using the proprietary process of Collaborator 4 and incorporating AnteoTech's silicon composite materials. This material was shipped to them in July for surface coating trials. The production process was successfully completed using new techniques in the AnteoTech battery lab and represents the largest sample volume for external testing of composite material produced to date. Collaborator 4 has acknowledged receipt of the composite and work on coating the composite is planned to commence early October with first technical results forecast to be available shortly thereafter.
- After a lengthy discussion on testing approach, a large sample of AnteoTech cross-linker binder additive was shipped to Collaborator 1 in May. Several 'parameter alignment' discussions have occurred since that time and we understand Collaborator 1's evaluation program has moved to electrochemical testing.
- In the March quarter AnteoTech reported that it expected results of electrochemical testing of our generation 1 silicon composite by Collaborator 1 during July. The Covid-19 pandemic has impacted staff availability, and to date, we have not received this data. We have arranged an update on progress to be discussed with Collaborator 1 in the next 2 weeks.
- A shipment of AnteoTech cross-linker binder additive was sent to Collaborator 5 in June and they have acknowledged receipt. Testing is underway and we expect results in 1 to 2 months.

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- Work with Collaborator 7 (nano-silicon manufacturer) is in full progress and we have validated the quality of their nano-silicon for use in further development of our silicon composite.
- We have received new silicon materials for integration into AnteoTech's composites from Collaborator 2 and we will begin testing with a view to possible integration into our silicon composite program.

Collaboration network expanded

Two new collaborations were finalised from discussions that occurred during our last trip to northern Asia in late February 2020.

- Collaborator 8
 - Very large northern Asian diversified electronics manufacturer with global operations. The focus of the collaboration is to design a version of AnteoTech binder additive to provide cross linking to Collaborator 8's existing binder system.
- Collaborator 9
 - Large northern Asian battery manufacturer focusing on supply of lithium ion batteries in the portable electronics market. The collaboration will evaluate use of AnteoTech silicon composite and binder additive.

Technical development

We have achieved several technical milestones during the quarter including:

- Reaching a new level of control over specific structural properties of the silicon composite particle (surface area and micro-porosity).
- The testing of cross-linker additive for water-based binders using a novel series of binders and silicon anode configurations.
- Entering into the first collaborative program to evaluate AnteoTech's cross-linker additive with a partner's proprietary binder using Anteo's established test protocols and experimental designs (evaluation to occur at AnteoTech).

2. Life Sciences

Rapid Test Assay Development

AnteoTech COVID-19 Antigen Rapid Test

Post balance date, we announced a working COVID-19 test complete to proof of concept stage in mid July 2020. Since that time, we have received significant partnership interest from the diagnostic industry and a number of conversations are underway.

We are currently producing over 200 rapid test cassettes that we will use for evaluation with COVID-19 patient samples. This exercise will provide useful data for further optimization. We are investigating the potential of conducting a clinical evaluation in Australia and/or overseas in the near term.

Separately, we have triggered commencement of the next phase of development and been testing newly acquired commercially available antibody pairs with a view to further increasing sensitivity of the antigen test.



Figure 1: COVID-19 rapid test cassettes and readers being assembled

AnteoTech Sepsis Rapid Test

We have commenced discussions with a large foundation in the U.S. dedicated to Sepsis research that is connected to the US military and with the goal of providing medical solutions to equatorial third world countries. A collaborative agreement is being finalised which focuses on evaluation of AnteoTech's Sepsis multiplex lateral flow test using patient serum samples. The results will be very useful in ascertaining if further optimization of the test is required.

Unfortunately, the commencement of the laboratory work has been delayed as the collaborators testing facilities have been shut down due to the COVID-19 pandemic. We are hopeful of a commencement to the program in September/October and will update the markets accordingly.

Assay Development & Conjugation Services – Serum Institute of India

During the quarter we completed a 5x400 reaction AnteoBind kits for the Serum Institute of India. The institute conducts a vast body of work connected to vaccine research and manufacture and the AnteoBind raw material is connected to the development of quality control mechanisms for their vaccine programs.

After the purchase of the AnteoBind we engaged the Serum Institute of India in discussion on difficulties they were experiencing in some elements of conjugation. This has led to an agreement that AnteoTech will prepare an AnteoBind feasibility solution to their issue in our Brisbane labs and, if successful, this will initiate discussion on further work and/or outsourced development of quality control solutions for the institute.

Work will begin on the feasibility in August.

AnteoBind Raw Material

We experienced an increased volume of sales during the quarter some of which were due to the COVID-19 pandemic. The largest increase was kits connected to Luminex processing. Upon assessment we decided to launch a digital media campaign to raise further awareness of our capability and drive further volume. We have run advertising on a large diagnostic industry website and volume of hits on the AnteoTech website generated from this campaign is increasing. Separately Luminex themselves have engaged us in discussion and are now

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supporting our campaign via their marketing channels. We expect the initiative to drive an increased volume of Luminex related products and we will be using the experience to drive digital marketing initiatives across our full range of products and services.

Ellume

We delivered an increased quantity of AnteoBind reagent to Ellume in this quarter and have received forecast requirement from Ellume for 2020/2021, which requests for increasing volumes of AnteoBind.

IMRA

We have successfully completed phase 2 of development and are in the process of completing phase 3 which is a volume increase in production milestone stage.

Separately IMRA have asked us to consider expanding our OEM arrangements to include two new particles in their range. We have agreed to conduct a short validation piece of work to verify these particles can be activated with AnteoBind successfully.

We believe this validation will be successful and this will instigate discussion on a development pathway for the OEM activation of these new particles.

Merck

During May we agreed pricing with Merck for the OEM development of the 300nm AnteoBind activated Europium particle. In a separate meeting we tabled contracts which Merck are now assessing. Merck have also flagged potential to extend the product range in the future. Our discussions with Merck remain on track to support a Q1 2021 launch of a combined product set.

ISO 13485

We completed the audit process for certification successfully in July. We are currently preparing routine further request for information from the auditor. We expect certification to be awarded in August.

Key Objectives for the quarter ending 30 September 2020 (Q3)

Q3 will be dominated by our work on commercialising our COVID-19 test and progression of the binder additive and silicon composite trials including:

- Prompt progression through development phases of the COVID-19 rapid test toward design validation and laboratory-based COVID-19 sample evaluation and regulatory approval.
- Establishment of new relationships in the diagnostic industry and government in support of commercialisation of the COVID-19 test.
- Continued close collaboration work with partners to validate the electrochemical performance of our binder additive and Generation 2 silicon composite.
- Finalise our ISO 13485 program of work.

The Company looks forward to updating shareholders on all material developments and operational progress.

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Financial and Corporate Update

Impact of COVID-19

We are experiencing delays in overseas collaboration development processes in both the Life Sciences and Energy divisions due to the COVID-19 pandemic. Particularly hard hit is the composite testing and binder additive testing programs in Northern Asia and Europe where our collaborator R&D facilities have either shut down or are operating on unusually low staff levels.

Cash

At the end of the quarter AnteoTech had approximately A\$3.215 million of cash on hand, compared to \$3.183 million at the end of the March quarter.

ASX Listing Rule 4.7C disclosure

\$57,000 was spent during the quarter to Related Parties, as reported in Item 6.1 of the ASX Appendix 4C (Quarterly Cash Flow Report). This comprises directors' fees.

This announcement has been approved by the Board.

ABOUT AnteoTech GROUP – AnteoTech Ltd (ASX:ADO)

AnteoTech is a surface chemistry company with Intellectual Property ("IP") in its core technology product groups AnteoCoat™, AnteoBind™ and AnteoRelease™. The Company's purpose is to create shareholder value by identifying and solving important global industry problems by providing unique value-add solutions for its customers. Customers operate in the life sciences, diagnostics, energy and medical devices markets.

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