

Letter to Shareholders

21 November 2024

Dear Shareholder

On behalf of the Directors, I am pleased to invite you, as a Shareholder of AnteoTech Ltd (**AnteoTech** or the **Company**), to participate in AnteoTech's recently announced 1 for 10 non-renounceable entitlement offer of new AnteoTech ordinary shares (**New Shares**). New Shares are offered at an issue price of 2.0 cents per New Share to raise up to approximately \$5 million (before costs) (**Entitlement Offer**).

As announced on 13 November 2024, the Company has received firm commitments of \$3.5 million under a placement to institutional and professional investors (**Placement**) at an issue price of 2.0 cents per Share. At the same time the Company announced its intention to undertake this Entitlement Offer at the same price for New Shares as the Placement shares. The record date for determining entitlements under this Entitlement Offer occurred prior to the date the Placement shares were issued, thus excluding Placement shares from the Entitlement Offer.

Completion of the Placement strengthens the Company's balance sheet at a critical juncture, adding approximately \$3.26 million net of transaction costs, with a further \$2.45 million received last week under the R&D Tax Incentive scheme. Our key focus with this funding plus the proceeds from the Entitlement Offer is to progress near term commercial opportunities with our electric vehicle and battery customers as well as advancing development of our proprietary high silicon anode product or Ultranode™. We believe we are close to further commercial success.

This Entitlement Offer also includes the ability for eligible shareholders who take up their full entitlement to apply for additional New Shares under a Shortfall Facility and further increase their investment in New Shares, should they choose. Details of the Entitlement Offer and Shortfall Facility are summarised below and detailed in the Offer Booklet.

Rationale for the Entitlement Offer and the Placement

AnteoTech achieved a number of milestones in the last year as we continued to progress from a research based organisation to an early commercialisation company. These achievements position us well for commercial success in the coming year, following an overhaul of our operations to remove \$3.3 million of annual costs, while completing our pilot plant facility and resolving the Ferroglobe litigation.

We have now assembled technical data to demonstrate and validate the benefits, including cost savings and improved performance, of our core proprietary clean energy products, Anteo X™ and Ultranode™. Our data has been reviewed by independent technical experts including for the Australian Renewable Energy Agency (**ARENA**), who awarded AnteoTech \$3.99 million in funding for our generation 2 Ultranode™ program. The ARENA funding along with \$1.39 million from the Queensland Critical Minerals & Battery Technology Fund (**CMBT Fund**), brings the total non-dilutive funding secured to \$5.38 million.

In the future, we believe that our focused, sales driven approach and our depth of technical data to support the value proposition of our products is a key to our commercial success, across both clean energy and life sciences. We have now generated our first clean energy revenues through the sale of Anteo X™ and recently secured our first sale of our 70% silicon content Ultranode™ to Mercedes Benz, a major electric vehicle manufacturer. Our work with Mercedes Benz now includes their ongoing evaluation of both Anteo X™ and Ultranode™.

We are also at evaluation stage with two other major electric vehicle manufacturers, and we have commercial projects underway with multiple parties in the battery, advanced chemical, and consumer electronics sectors, for applications including wearable batteries and power tool battery packs.

Our strategy in this highly competitive market is to focus on our high priority customers and support their engagement, validation and internal optimisation projects, with dedicated AnteoTech project teams.

We also believe there is strong interest in our Ultranode™ and we must continue to invest to accelerate that development work and maintain our competitive position.

We undertook the Placement and launched this Entitlement Offer in order to raise the capital needed to enable the Company to continue with these planned activities and initiatives. The funds raised will be used to support our international Clean Energy Technology sales and marketing activities and associated customer optimisation projects through new dedicated resources. We will also apply funds to ongoing Ultranode™ development work and the capital expenditure we will incur before being reimbursed by ARENA or the CMBT Fund.

Pleasingly, our life sciences activities are generating the early revenue opportunities we had aimed for, including under the US\$1.8 million take or pay contract with the Serum Institute of India, one of the world's largest manufacturers of vaccines.

As we strive for commercial progress, we seek to build shareholder value as customers purchase our products, contribute to our development services and potentially become strategic partners.

Offer Details

The number of New Shares you are entitled to subscribe for under the Entitlement Offer (**Entitlement**) is set out in your personalised Entitlement and Acceptance Form that has been sent to you.

If you are an Eligible Shareholder and you wish to accept your Entitlement pursuant to the Entitlement Offer, you will need to provide appropriate application moneys so that they are received not later than **5.00pm AEDT** on the Closing Date of **9 December 2024** (unless extended).

Entitlements are non-renounceable and cannot be traded on the ASX or otherwise transferred. This means that if you choose not to take up your Entitlement you will not receive any value in respect of your Entitlement and your percentage interest in the Company will reduce.

Shortfall Facility

The Entitlement Offer includes a shortfall facility under which Eligible Shareholders who take up their full Entitlement may apply for New Shares in the Entitlement and Acceptance Form from a pool of those Entitlements not taken up by other Eligible Shareholders (**Shortfall Facility**). There is no guarantee that applicants under this Shortfall Facility will receive all or any of the additional New Shares applied for under the Shortfall Facility. The Board reserves the right to allocate New Shares under the Shortfall Facility at its absolute discretion.

Director intentions regarding their entitlements

The Directors intend to subscribe for their full Entitlement.

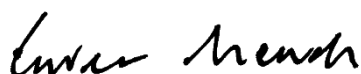
Information

Key information with respect to the Entitlement Offer is set out in the Offer Booklet. Please read the Offer Booklet carefully before deciding whether or not to subscribe for your entitlement, and consult with your stockbroker, accountant or other professional adviser.

This Offer Booklet will be made available in electronic form. Paper copies of this Offer Booklet can be obtained free of charge during the offer period (as set out in the Timetable) by calling **AnteoTech Ltd's Information Line on 07 3219 0085 (within Australia)** or +61 7 3219 0085 (International), or download it from the Company's website <https://www.anteotech.com/offer>

The Company's ability to pursue the commercial opportunities being targeted will be substantially enhanced by the participation of shareholders in this Entitlement Offer. We appreciate your support.

Yours sincerely



Ewen Crouch AM

Chairman