



14 July 2011

The Manager  
Company Announcement Officer  
Australian Stock Exchange Limited  
Level 4, 20 Bridge Street  
Sydney NSW 2000

Dear Sirs

**ANNOUNCEMENT**

**CARBON PRICE TO ACCELERATE UPTAKE OF ALGAE.TEC TECHNOLOGY**

We attach an announcement for immediate release to the market.

Yours faithfully,

Peter Hatfull  
Company Secretary  
Algae.Tec Limited



## ASX PRESS RELEASE

MEDIA CONTACT  
DMG PR  
SUSAN FITZPATRICK-NAPIER  
or CAITLIN SCULLIN  
[TEAM@DMGPR.COM](mailto:TEAM@DMGPR.COM)  
Australia +61 2 8006 0424  
USA +1 650 798 5238

### AUSTRALIAN PRICE ON CARBON TO ACCELERATE UPTAKE OF ALGAE.TEC TECHNOLOGY

**Perth, Western Australia/Atlanta, Georgia – 14 July 2011** - Algae.Tec Limited an advanced biofuels company with a high-yield enclosed algae growth and harvesting system said the introduction of a price on carbon by the Australian Government in its Clean Energy Future (CEF) package, would accelerate uptake of the Algae.Tec technology by carbon dioxide emitting industries.

The Algae.Tec enclosed modular technology captures carbon dioxide pollution from power stations and manufacturing facilities, which feeds into the algae growth system. Algae.Tec Executive Chairman Roger Stroud said the CEF package will focus carbon emitting companies and industries on seeking out carbon dioxide reduction technologies.

"This will significantly add to the commercial appeal of the Algae.Tec technology as a solution for carbon dioxide emitting companies," said Stroud.

Algae.Tec recently signed a Collaboration Contract with the Manildra Group's industrial facility, south of Sydney in Australia, to construct a demonstration plant.

"The Algae.Tec algae photo-reactors will be sited next to the ethanol facility and take a carbon dioxide feed from the ethanol fermenters into the algae growth system," said Stroud.

"Algae.Tec is one of few advanced biofuels companies globally with a closed modular engineered technology designed to grow algae on an industrial scale and produce biofuels that replace predominantly imported fossil fuels for transportation use," said Stroud.

The photo-bio reactors are currently being assembled at the company's USA headquarters, the *Algae Development & Manufacturing Centre* in Atlanta, Georgia, an 18,200 square foot fabrication facility.

The Algae.Tec solution is less than one tenth the land footprint of pond growth options, while its enclosed module system is designed to produce algae biomass in virtually any environment on the planet.

The enclosed modular 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.



**About Algae.Tec ([www.algaetec.com.au](http://www.algaetec.com.au))**

(ASX: AEB, FWB: GZA:GR, ALGXY:US)

Algae.Tec, founded in 2008, is an advanced renewable oil company that has developed a high-yield enclosed algae growth and harvesting system, the McConchie-Stroud System.

The company has offices in Atlanta, Georgia and Perth, Western Australia. The initial two commercial facilities will be deployed in the USA and Australia. The target size is a minimum of 250 modules in each location.

The company has a highly experienced global team with over 200 years of technical, professional and business expertise in key energy and environmental industries and core competencies in biofuel technologies and energy markets.

The McConchie-Stroud System is a high efficiency microalgae production technology via a modular photo-bioreactor system, which features improved algae harvesting and product refinement technologies. Its algae technology has demonstrated exceptional performance in productivity, product yield, carbon dioxide sequestration, and production unit footprint requirements versus agricultural crops and other competitive algae processes in the industry.