
ASX ANNOUNCEMENT (ASX: ANO)

29 OCTOBER 2009

REPORT FOR FIRST QUARTER FY10

Antaria Limited today released its sales data and cash report for the quarter ending September 2009.

Customer Sales

Total sales to customers were \$617,518 (unaudited) for the quarter, down 19% compared to \$762,186 for the corresponding period last year (September 2008 quarter), and orders on hand at the end of the quarter firmed significantly to a value just in excess of \$1 million.

Antaria's September quarter sales are typically dominated by sales into the Australian market and we have experienced a slower start than was anticipated for the Australian market this year. However, this has been offset by an increase in October sales and a strengthening order book.

Antaria's ZinClear-IM™ production upgrade is well underway and on track for completion in early 2010. Design and validation activities are substantially complete and new equipment has been ordered and is currently being manufactured for installation in the next few months. Antaria's investment in this upgrade (in the order of \$500,000) is in anticipation of potential large volume customer launches and will increase production capacity and responsiveness.

Dow continues to report positive progress with key North & Latin American accounts, with an increasing number of ZinClear-IM™ sales opportunities being developed. The recent acquisition by The Dow Chemical Company of Rohm and Haas and the establishment of the new Dow Home and Personal Care division has led to significant strengthening of account coverage world wide.

Cash Report

Antaria's cash balance at the end of the quarter was \$3,009,201 (unaudited), a net decrease of \$245,694 compared to the June 2009 balance of \$3,254,895.

Important contributors to the cash movement for the quarter were:

- On 20 July, Antaria reached an agreement with its strategic partner Energenics Holdings Pte Ltd of Singapore that included a private placement of shares issued at 22 cents to the Energenics Group raising \$1 million and this was completed on 7 September 2009. In addition, Energenics committed to pay US\$437,000 in relation to an irrevocable order for the supply of Cercat™ for progressive delivery between now and June 2010. Part payment amounting to nearly 80% of the purchase order value has been received in October 2009 and this has provided a further boost to the Company's cash position subsequent to the end of the quarter.
- Cash receipts from customers of \$508,568 for the quarter were down compared with the \$1,100,415 received during the June 2009 quarter. Antaria had approximately \$575,000 in trade debtors outstanding at the end of the current quarter;
- Other working capital payments totalled \$1,144,947 (June 2009 quarter \$845,599). The September quarter included payments for raw materials totalling approximately \$561,000 (June 2009 quarter \$419,000).
- Grant income receipts of \$143,536 in relation to the Company's Commercial Ready Grant (June 2009 quarter \$157,283). This Grant concludes at the end of the 2009 calendar year.

About Antaria

Antaria Limited develops, manufactures and sells a range of advanced metal oxide powders and dispersions worldwide. Antaria's products include: **ZinClear**[®] – broad spectrum, mineral-only UV filters in cosmetic emollients used for sunscreen, skincare, and pharmaceutical formulations that allow SPF 30+ sunscreens containing only zinc oxide as the UV absorber; **Cercat**[™] – cerium oxide particle dispersion used in diesel fuel applications; and **NanoZ**[™] – zinc oxide additives that allow stable UV absorber performance for coatings and plastics. In 2009, Antaria also exclusively licensed its plate-like alumina technology to Merck KGaA, Germany for use in Merck's cosmetics and industrial products.

For Further Information:

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