

## **APPENDIX 3B – NEW ISSUE ANNOUNCEMENT, APPLICATION FOR QUOTATION OF ADDITIONAL SECURITIES AND AGREEMENT**

<b>Name of entity</b>	Advanced Nanotechnology Limited
<b>ABN</b>	54 079 845 855

We (the entity) give ASX the following information.

### **PART 1 – ALL ISSUES**

1	Class of securities issued or to be issued	Fully paid ordinary shares
2	Number of securities issued or to be issued (if known) or maximum number which may be issued	2,500,000
3	Principal terms of the securities (e.g. if options, exercise price and expiry date; if partly paid securities, the amount outstanding and due dates for payment; if convertible securities, the conversion price and dates for conversion)	Same as ordinary shares currently on issue
4	Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?	Yes
5	Issue price or consideration	\$0.20 per ordinary share
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Further capital raising pursuant to prospectus dated 1 March 2005
7	Dates of entering securities into uncertificated holdings or despatch of certificates	Expected to be 3 March 2005

8	Number and class of all securities quoted on ASX (including the securities in clause 2 if applicable)	Number – 150,337,880 Class – Fully paid ordinary shares
9	Number and class of all securities not quoted on ASX (including the securities in clause 2 if applicable)	Number – 14,133,581 Class – Options to acquire fully paid ordinary shares  Number – 17,433,322 Class – Fully paid ordinary shares, subject to two-year escrow restriction
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The same as previously disclosed with respect to ordinary shares on issue

**PART 2 – BONUS ISSUE OR PRO RATA ISSUE**

Not applicable

**PART 3 – QUOTATION OF SECURITIES**

34	Type of securities	
(a)	<input checked="" type="checkbox"/>	Securities described in Part 1
(b)	<input type="checkbox"/>	All other securities

**Entities that have ticked box 34(a)**

**Additional securities forming a new class of securities**

35	<input type="checkbox"/>	If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
36	<input type="checkbox"/>	If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories 1 - 1,000 1,001 - 5,000 5,001 - 10,000 10,001 - 100,000 100,001 and over
37	<input type="checkbox"/>	A copy of any trust deed for the additional +securities

**Entities that have ticked box 34(b)**

Not applicable

## QUOTATION AGREEMENT

- 1 Quotation of our additional securities is in ASX's absolute discretion. ASX may quote the securities on any conditions it decides.
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: *D. Cesari*  
Company Secretary

Dated: 1 March 2005

Print Name: Deana Cesari