
ASX ANNOUNCEMENT
(ASX: ANO)

8 APRIL 2008

**ADVANCED NANOTECHNOLOGY LIMITED AND THE DOW CHEMICAL COMPANY
SIGN MARKETING AND DISTRIBUTION AGREEMENT FOR ZINCLEAR-IM™ PRODUCT RANGE**

Advanced Nanotechnology Limited (ANT) and The Dow Chemical Company (Dow) today announced they are teaming up in the sun protection arena. Effective today, Dow becomes ANT's exclusive marketer and distributor within North and Latin America for ANT's patent-pending ZinClear-IM™ products. ZinClear-IM™ will be available through Dow's Amerchol business portfolio as outlined in the attached Dow news release.

ZinClear-IM™, used in beach wear, daily wear and color cosmetics formulations, greatly increases skin protection from both UVA and UVB rays. ZinClear-IM™ combines the safety and broad spectrum UV absorption properties of zinc oxide with superior transparency and improved aesthetic benefits.

This relationship will provide personal care customers in North America and Latin America with a leading-edge sun care technology combined with the technical and marketing resources of Dow to ensure formulation, technical and logistics support. The multi-year, renewable distribution agreement includes a rebatable US\$650,000 working capital advance.

Thibaut Mortier, Executive Director at ANT, said, "We are delighted to work with Dow on developing the crucial North American and Latin American markets. We believe customers will strongly benefit from the technical, regulatory and marketing skills Dow brings to the table."

Eunice Heath, Global Marketing & Sales Director of Dow Wolff Cellulosics, a business unit of Dow, said, "We are excited to offer this product to the personal care industry. Given the new regulations proposed by the United States Food and Drug Administration (FDA) and the increased public awareness about the danger of UVA rays, the timing for this strategic relationship is excellent news for the personal care sector."

ZinClear is a registered trademark of Advanced Nanotechnology Limited.

About Amerchol

Amerchol, a business unit of The Dow Chemical Company and its consolidated affiliates, is a global manufacturer and marketer of performance ingredients for use in personal care product applications. These ingredients are primarily emollients, moisturizers, deposition aids, conditioners, and thickeners and find the majority of their uses in consumer skin care and hair care products. As part of Dow Wolff Cellulosics, Amerchol is dedicated to providing solutions based on sustainable chemistry, and is able to leverage the technologies and capabilities of the Dow Wolff Cellulosics to the personal care industry. For more information, please visit our website at www.amerchol.com.

About The Dow Chemical Company

With annual sales of \$54 billion and 46,000 employees worldwide, Dow is a diversified chemical company that combines the power of science and technology with the "Human Element" to constantly improve what is essential to human progress. The Company delivers a broad range of products and services to customers in around 160 countries, connecting chemistry and innovation with the principles of sustainability to help provide everything from fresh water, food and pharmaceuticals to paints, packaging and personal care products. References to "Dow" or the "Company" mean The Dow Chemical Company and its consolidated subsidiaries unless otherwise expressly noted. More information about Dow can be found at www.dow.com.

About Advanced Nanotechnology Limited

Advanced Nanotechnology Limited develops, manufactures and sells a range of advanced metal oxide powders and dispersions. Advanced Nano's products are marketed under four parent brands, 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; Alusion® – plate-shaped particles used to enhance colour cosmetics formulations to mask wrinkles and fine lines; Cercat™ – cerium oxide nanoparticle dispersion used in diesel fuel applications; and NanoZ™ – nano zinc oxide additives that allow stable UV absorber performance for coatings and plastics.

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FOR IMMEDIATE RELEASE

Dow to Market Sun Care Ingredients Across the Americas

ZinClear™ IM Products Help Provide Enhanced Protection Against Damaging Effects of the Sun

MIDLAND, MICHIGAN—(April 7, 2008)— The Dow Chemical Company (“Dow”) and Advanced Nanotechnology Limited (“ANT”) of Perth, Australia, announced that they have reached an agreement that will enable Dow’s Amerchol business to market and sell ZinClear™ IM zinc oxide products within North and Latin America. The agreement is effective as of April 7, 2008.

“According to the National Cancer Institute, over one million new cases of non-melanoma skin cancer will be diagnosed this year. This is a disease that is highly preventable, and we are excited to be able to offer a product to the market that can help protect against skin cancer and other harmful effects of the sun,” said Denise Elias-Costrini, global marketing manager for personal care at Dow. “We are committed to working with ANT to help increase awareness of the effects of UVA rays and the need for adequate, year-round sun protection.”

For Dow, the agreement is in support of the Company’s 2015 Sustainability Goals and its commitment to solving world challenges, such as the protection of human health. Zinc oxide is an ultraviolet (UV) absorber that provides broad-spectrum protection against both UVA and UVB rays, which have been shown to cause harmful effects to the skin, such as sunburn, premature aging and other forms of skin damage, and can also lead to skin cancer.

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The United States Food and Drug Administration (US FDA) has proposed new regulations for formulating, testing and labeling over-the-counter (OTC) sunscreen products. These regulations would require manufacturers to disclose the amount of both UVA and UVB coverage the product provides, in order to help consumers make more informed purchasing decisions. Zinc oxide can be incorporated at higher levels in formulation than most other UVA absorbers, and is compatible with UVB absorbers, allowing formulators to significantly increase the amount of protection from these rays.

“ZinClear™ IM products are distinct in that they provide broad-spectrum protection from both UVA and UVB rays, and are non-whitening and non-greasy on the skin, even when incorporated at high levels in formulations,” said Jim Gall, sun care market development manager at Dow. “The improved aesthetic benefits of ZinClear™ IM products make them ideal for use in daily wear and color cosmetic products, where a light, non-greasy feel is important to consumers.”

Paul McCormick, chief executive officer of ANT, said, “We are delighted to work with Dow on developing the crucial North American and Latin American markets. We believe customers will strongly benefit from the technical, regulatory and marketing skills Dow brings to the table.”

Dow, via its Amerchol business, will formally introduce ZinClear™ IM products to the Americas at the upcoming SCC Suppliers’ Day tradeshow, which takes place May 13-14, 2008 in Edison, New Jersey. “Given the new regulations proposed by the FDA and the increased public awareness about the danger of UVA rays, the timing for this strategic relationship is excellent news for the industry,” Elias-Costrini further stated.

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