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ASX ANNOUNCEMENT  
(ASX: ANO)

20 JUNE 2007

FURTHER INFORMATION

Paul McCormick, Chief Executive Officer  
Advanced Nanotechnology Limited  
Tel: +61 (8) 9458 0800

Ronen Hazarika, Managing Director  
Energenics Holdings Pte Ltd  
Tel: +65 6341 9650

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**ADVANCED NANO EXECUTES STRATEGIC PARTNERSHIP WITH ENERGENICS,  
PLACEMENT OF A\$3 MILLION ANO STOCK**

Advanced Nanotechnology Limited (ASX: ANO) today announced that it has executed the agreements for its strategic partnership with, and placement of Advanced Nano shares to, the Energenics group, a Singapore-based supplier of alternative energy solutions and technologies.

In accordance with the previously announced Letter of Intent, Advanced Nano and Energenics have now formally agreed their strategic relationship. The relationship is now in the form of a mutually exclusive five-year agreement for the supply of fuel-borne combustion catalyst products manufactured by Advanced Nano and sold by Energenics worldwide into the rapidly growing clean-burn fuel markets. The supply agreement, which supercedes the JV proposal previously announced, initially features Cercat™, a nanoparticulate cerium oxide dispersion manufactured by Advanced Nano for use with diesel engine fuels. However, the agreement's scope extends to all metallic oxide nanoparticulate fuel-borne combustion catalysts for all fuel types.

As a condition of this strategic partnership, Energenics has agreed to subscribe for A\$6 million of new Advanced Nano shares at a price of A\$0.22 per share in two equal tranches. The first tranche of A\$3 million will be issued within twenty eight days (being a total of 13,636,364 ordinary shares issued on the same terms as existing Advanced Nano ordinary shares and as approved at Advanced Nano's June shareholder meeting). The second tranche is expected to take place upon Advanced Nano achieving invoiced sales of 150,000 litres of 2% Cercat (or equivalent) or within 24 months. Advanced Nano will also issue Energenics with 4,545,455 options for each share tranche (being one option for every three new shares subscribed for) at an exercise price of A\$0.308 per share expiring on 30 June 2012.

Paul McCormick, CEO of Advanced Nano, commented "After further discussions with Energenics, it became clear to both parties that the best way to pursue this strategic alliance with Energenics is through an exclusive supply agreement rather than the joint venture company envisaged in the Letter of Intent. The alliance will put Advanced Nano in a strong position to secure a pathway to the world energy markets which is expected to provide an important and growing revenue stream for the Company."

Ronen Hazarika, Managing Director of Energenics, commented "We are delighted to have concluded this strategic partnership with ANO. Energenics will now concentrate on rolling out cerium-oxide fuel-borne nanocatalyst technology globally. Our initial response from fleet and oil companies is very encouraging, and we are confident of being able to provide cost-effective solutions for global fuel markets."

ABOUT ENERGENICS

Energenics is a supplier of alternative energy solutions and technologies, providing customers access to switched or phased renewable fuels programmes that deliver both energy use and gas emission reductions at zero or minimal capital cost.

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Energenics is incorporated in Singapore and is rapidly becoming a market leader in delivering turnkey biofuel & energy efficiency projects to fleet users using innovative technologies either developed in house or licensed in from technical partners. In conjunction with these turnkey projects, Energenics also provides a full Carbon emissions trading service, which involves the trading of permits to emit carbon dioxide (and other greenhouse gases).

Ronen Hazarika, Managing Director of Energenics, is the original inventor of technology protected by patents relating to coated cerium oxide nanoparticles used as a fuel-borne catalyst.

#### ABOUT ADVANCED NANO

Advanced Nano develops, manufactures and sells advanced nanomaterials products worldwide that deliver significant performance and value improvements to its customers' products. Advanced Nano's MCP™ nanopowder manufacturing technology is a patented, platform technology that enables the production of a broad range of high quality nanopowders and nanomaterials.

Advanced Nano is targeting four key markets with its commercial products – Energy & Emerging Technologies; Personal Care & Life Sciences; Plastics & Polymers; and Coatings, Inks & Textiles. Advanced Nano's products are manufactured and marketed under four parent brands: ZinClear® – sunscreen dispersions that allow SPF 30+ sunscreens containing only zinc oxide as the UV absorber; Alusion® – soft focus effect pigments for masking ageing effects; Cercat™ – fuel-borne nanocatalysts; and NanoZ® – nano zinc oxide additives that allow stable UV absorber performance for coatings and plastics.

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