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ASX ANNOUNCEMENT
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ENVIROX™ PRODUCT LAUNCHED IN NEW ZEALAND

Advanced Nanotechnology Limited (Advanced Nano) is pleased to provide the following press release made by Oxonica Limited regarding the Stagecoach Group's launch of the Envirox™ diesel fuel additive across their 1,000 strong New Zealand bus fleet over the next month. Advanced Nano's cerium oxide nanoparticle dispersion is a key component of Envirox™.

Stagecoach's New Zealand launch follows their December 2004 announcement regarding their plans to introduce Envirox™ across their 7,000 strong bus fleet in the UK, and the March 2005 announcement made by the Independent Philippine Petroleum Companies Association regarding the introduction of *Diesel Premium Plus* fuel in the Philippines contained Oxonica's Limited's Envirox™ fuel additive.

FURTHER INFORMATION:

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MEDIA RELEASE

STAGECOACH ROLLS OUT FUEL REDUCTION PRODUCT ACROSS NEW ZEALAND OPERATIONS

Stagecoach today launched the use of next-generation fuel additive Envirox™ across its entire bus fleet after a successful 12-month commercial evaluation in the United Kingdom.

Extensive testing of the product has delivered more than a 5% cut in fuel consumption and an associated decrease in vehicle emissions. Now the fuel additive will be rolled out over the next month across Stagecoach's 1000 strong New Zealand bus fleet. Stagecoach uses 17 million litres of diesel per year. A 5% saving means 652,500 litres less fuel that has to be imported, refined and distributed. The reduction is probably even greater taking into account the whole economy, the environmental benefits, cost of transport and refinery-processing impacts which will also be reduced.

"Stagecoach are continuously looking for ways to improve the way we run our operations and we are excited about the benefits of this technology." says Ross Martin, Executive Chairman of Stagecoach New Zealand. "As a large consumer of fuel we have been affected by its rising costs. This innovation enables us to continue to offer affordable public transport options and just as importantly, reduce greenhouse emissions." Using our calculations, Stagecoach will be reducing CO2 emissions by at least 1900 tonnes per year".

"More companies need to look at the environmental costs as well as the economic costs when running a business. Stagecoach has highlighted an area I have great interest in, that businesses need to move with the times and make positive business decisions regarding the welfare of the environment." says Hon. Pete Hodgson, Minister of Transport."

Envirox works by modifying the combustion profile so that fuel is burned more efficiently and productively so that less fuel is required per km travelled. Envirox also improves emission levels by reducing hydrocarbon and particulates as a result of the improved combustion process. Envirox is actually a liquid preparation based on a cerium oxide oxidation catalyst coated and dispersed in a hydrocarbon carrier.

"In the past it has not been possible to employ the material as a fuel borne catalyst, but Oxonica's patented technology allows the catalyst to remain suspended in the carrier." says Ronen Hazarika, Oxonica's Regional Director, Asia Pacific. "I'm elated that Stagecoach New Zealand has decided to adopt the Envirox technology and become our launch customer in New Zealand. I'm sure that many other transport groups will be following their responsible decision."

For more information:

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