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ASX ANNOUNCEMENT
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FURTHER INFORMATION
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ADVANCED NANOTECHNOLOGY LIMITED AWARDED FROST & SULLIVAN EXCELLENCE IN TECHNOLOGY AWARD

Advanced Nanotechnology Limited (Advanced Nano) has been awarded the 2005 Frost & Sullivan Excellence in Technology Award for Nanomaterials in recognition of the Company's pioneering efforts in the development of the Mechanochemical Processing (MCP™) technology that has enabled production of true nano dispersed forms with superior product characteristics. The award will be presented at The Frost & Sullivan annual awards banquet in Miami, Florida on 9 November 2005.

Frost & Sullivan's Excellence in Technology Award is bestowed upon a company that has pioneered the development and introduction of an innovative technology into the market that has either impacted or has the potential to impact several market sectors. This award recognises a company's successful development of a technology that is expected to bring significant contributions to the industry in terms of adoption, change, and competitive posture. It also recognises the overall technical excellence of a company and its commitment towards technology innovation.

Paul McCormick, Chief Executive Officer of Advanced Nano, commented "We are extremely honoured to be recognised for our innovation in the field of nanomaterials through the receipt of this prestigious award. The award is in recognition of our exciting nanomaterials technology and our strong commitment to research and development."

The MCP™ technology is a patented, solid-state process that has enabled the production of nanopowders with controlled size, shape, surface and chemistry. What happens in this process is that during milling chemical reactions are mechanically activated, and it is these reactions that help in the formation of nanoparticles within a salt matrix. Pressure and focal heat at the contact surface drive the nanoscale reaction process and the salt matrix minimizes particle agglomeration. The particle size is defined by the chemistry of the reactant mix, milling and heat treatment conditions.

The MCP™ process is distinguishable from other competing technologies in many ways but basically the solid-state nature of the process facilitates the formation of equiaxed nanoparticles with low levels of agglomeration and narrow size distribution. This technology permits the creation of particles of definite shapes in some materials, even at the nanoscale (less than 100 nm in one dimension).

Advanced Nano's MCP™-based nanomaterials include ZinClear®, Zinclear®-S, Alusion®, NanoZ® and Cercat™. ZinClear® is a dispersion of zinc oxide nanoparticles for UV protection in cosmetics and other personal care applications. The product is used in the production of transparent sunscreens with high levels of UV protection. NanoZ® is based on a similar concept to Zinclear®, i.e. it is a transparent UV blocking zinc oxide dispersion for the protection of timber, and hence finds application in wood coatings. Alusion®, consists of platelets of

aluminium oxide used in cosmetics to create soft focus effects. The third product, Cercat™, is a cerium oxide nanopowder dispersion used as the active catalyst in fuel catalysts. All of the above are transparent, a result of Advanced Nano's ability to produce small particles that can be readily dispersed into a transparent medium.

Frost and Sullivan noted that "Advanced Nano's path breaking efforts towards the development of the MCP™ technology have brought a new paradigm to nanopowder production".

ABOUT FROST & SULLIVAN

Founded in New York in 1961, Frost & Sullivan is recognised as a global leader in growth consulting. Frost & Sullivan Awards are presented to companies that demonstrate excellence in their industry, commending the diligence, commitment, and innovative business strategies required to advance in the global marketplace. Frost & Sullivan rigorously analyses specific criteria to determine award recipients in a vast variety of market industries and landscapes.

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