

ASX ANNOUNCEMENT  
(ASX: ANO)

27 NOVEMBER 2007

## 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	Unlisted options to acquire fully paid ordinary shares
2	Number of securities issued or to be issued (if known) or maximum number which may be issued	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)	Exercise price: 30.8 cents per ordinary share Expiry date: 21 February 2010
4	Do the securities rank equally in all respects from the date of allotment with an existing class of quoted securities?	No, shares issued on exercise of the options will rank equally in all respects with ordinary shares on issue
5	Issue price or consideration	Nil upon issue of options
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Issue of options to certain non-executive directors pursuant to Employee Share Option Plan (as approved by shareholders at the Company's Annual General Meeting held on 21 November 2007)

7	Dates of entering securities into uncertificated holdings or despatch of certificates	Expected to be within 5 business days
8	Number and class of all securities quoted on ASX ( <i>including</i> the securities in clause 2 if applicable)	Number – 181,407,566 Class – Fully paid ordinary shares
9	Number and class of all securities not quoted on ASX ( <i>including</i> the securities in clause 2 if applicable)	Number – 25,811,350 Class – Options to acquire fully paid ordinary shares
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

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 reason 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.
  - 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: 27 November 2007

Print Name: Deana Cesari