



Advanced Nanotechnology Limited  
ACN: 079 845 855  
108 Radium Street  
Welshpool WA 6106  
AUSTRALIA  
Tel: +61 (8) 9458 0800  
Fax: +61 (8) 9458 0810

---

ASX ANNOUNCEMENT  
(ASX: ANO)

WEDNESDAY, 23 FEBRUARY 2005

---

### **FURTHER CAPITAL RAISING**

Advanced Nanotechnology Limited (**ANO** or the **Company**) is pleased to announce that the offer under the prospectus dated 10 January 2005 (**Original Prospectus**) closed over-subscribed.

The funds raised pursuant to the Original Prospectus will be used to fund working capital requirements, the expansion of ANO's nanopowder manufacturing facilities, the development of new nanopowder products, the expansion of the Company's business development activities in national and international markets and to pay the costs of the offer under the Original Prospectus. The Directors remain of the view that the \$9 million raised under the Original Prospectus provides the Company with enough working capital to carry out its stated objectives.

However, given the availability of further funds, the Directors believe that raising an additional \$500,000 would be of benefit to the Company in further accelerating ANO's ability to bring its products to market. This additional amount can be used by ANO to acquire further manufacturing plant and equipment, to better position the Company for its future growth.

Accordingly, in conjunction with the listing of its shares on the Australian Stock Exchange, ANO intends to issue a further prospectus for the underwritten offer of up to 2,500,000 shares at \$0.20 per share, to raise an additional \$500,000. This offer will be extended to a single institutional investor who wished to subscribe for shares pursuant to the Original Prospectus but whose subscription application could not be fully satisfied under the Original Prospectus.

The Underwriters of the share issue under the Original Prospectus support the decision of the Directors to raise this additional \$500,000.

---

CONTACT            Paul G. McCormick, Chief Executive Officer  
                          Tel: +61 (8) 9458 0800

---

**PROPOSED ISSUE OF SECURITIES - ASX LISTING RULE 3.10.3**

---

- |  |  |
|--|--|
| ▪ Class of securities to be issued     | Ordinary shares  |
| ▪ Number of securities to be issued    | 2,500,000 ordinary shares  |
| ▪ Principal terms of the securities    | Fully paid ordinary shares which will rank pari passu with shares currently on issue                   |
| ▪ Issue price or consideration         | \$0.20 per ordinary share  |
| ▪ Purpose of the issue                 | Acquire further manufacturing plant and equipment to better position the Company for its future growth |
| ▪ Security holder approval             | Not applicable   |
| ▪ Issue to a class of security holders | Not applicable   |

[ENDS]