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ASX Announcement

The Manager Announcements
Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Algae.Tec Launches expanded product range

Algae.Tec Limited (ASX: "AEB") is pleased to announce that it has successfully launched its FeedMe™ algae product line to the aquaculture and animal feed markets, as part of its planned expansion into a range of high value product lines.

The controlled growth proprietary technology developed by Algae.Tec combined with the substantive algae species research and development has enabled the Company to develop a series of high quality liquid and powder algae-based products with the optimum balance of essential amino acids, omega-3 fatty acids, vitamins and minerals for applications in the human nutraceutical, aquaculture and animal feed markets.

The FeedMe™ algae product line was officially launched in April with first sales through its website, www.feedmealgae.com, and to leading downstream product formulators and distributors.

The 2017 aquafeed market is valued at more than US\$100B with industry projections reporting continued strong growth rates at 12% per year. The global animal feed market is valued at \$25B with growth rates of 6% per year. Within these markets there has been a sharp increase in demand for natural and sustainable food supplements, containing essential proteins, omega-3 fatty acids, vitamins and minerals to enhance nutritional value.

Algae.Tec's Managing Director, Peter Hatfull states "this product line adds to the diversity of the Algae Tec brand and it demonstrates our extensive knowledge of algae species and our ability to expand our current markets of nutraceutical oils, bio fuel, aquaculture and animal feeds through the Company's innovative proprietary technology for the sustainable growth of algae. This is in addition to the ability to adapt and licence the technology itself for other agricultural uses, such as in the recently announced move into the medical marijuana industry.

A main part of the Company's focus continues to be on the development of algae for use as sustainable bio fuels together with effective sequestration of CO2 emissions, and this is developing well with a team currently in India at the Reliance Industries site. However, the work undertaken in this area has led to the development of proprietary technology that is directly applicable to cultivate alternative algae species for use in additional markets where high value quality food supplements are in demand, as in the nutraceutical industry, where the Company continues to work with Gencor to cultivate the highest return products."