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2 July 2025

The Independent Directors
Altech Batteries Limited
Suite 8, 295 Rokeby Road
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Dear Independent Directors,

Independent Expert's Report Relating to Transaction

1 Executive Summary

Opinion

1.1 In our opinion, the proposed transaction including the proposal outlined in Resolutions 1 and 2 of the attached Notice of Meeting ("**NoM**") relating to the issue by Altech Batteries Limited ("**Altech**", "**ATC**" or the "**Company**") of 532,366,842 ordinary shares (the "**Consideration Shares**") to Altech Advanced Materials AG ("**AAM**") and the Company acquiring a relevant interest in the Consideration Shares as a result of entering into a voluntary escrow agreement with AAM, is considered **NOT FAIR** but **REASONABLE** to the non-associated shareholders of Altech as at the date of this report.

Introduction

1.2 Stantons Corporate Finance Pty Ltd ("**Stantons**") was engaged by the Independent Directors of Altech to prepare an Independent Expert's Report ("**IER**") to provide an opinion on the fairness and reasonableness of the proposal outlined in Resolutions 1 and 2 of the attached NoM and Explanatory Statement ("**ES**"). The NoM will be released ahead of a general meeting of Altech shareholders to be held in or around August 2025 (the "**Meeting**").

1.3 Altech is an Australian public company listed on the Australian Securities Exchange ("**ASX**") that develops specialty battery technology. The Company's projects are:

- a joint venture with Fraunhofer IKTS to produce Cerenergy Sodium Chloride Solid State batteries through a 120Mwh plant to be constructed in Saxony, Germany (the "**Cerenergy Project**"). The 75% owned subsidiary of Altech, Altech Energy Holdings GmbH ("**AEH**") holds a 75% interest in the Cerenergy Project;
- the Silumina Anodes project focused on battery material coating technology for inclusion within the electric vehicle battery market (the "**Silumina Anodes Project**"), which it has licenced to its 75% owned subsidiary Altech Industries Germany GmbH ("**AIG**"). The Company has completed a definitive feasibility study to commercialise the Silumina Anodes Project through an 8,000tpa silicon alumina coating plant in Saxony Germany; and
- a project to produce high purity alumina through the construction and operation of a 4,500tpa processing plant at a property held under lease by the Company's Malaysian based subsidiary, Altech Chemicals Sdn Bhd. Altech announced on 25 March 2025 that it has "*placed its Malaysian land in Johor on the market for sale.*"

1.4 AAM is a German public company listed on the Deutsche Boerse. AAM holds a 25% interest in each of AEH and AIG.

1.5 The Company has entered into a binding term sheet with AAM (the "**Acquisition Agreement**") pursuant to which ATC proposes to:

- acquire AAM's 25% interest in AEH;
- acquire AAM's 25% interest in AIG;
- acquire all rights, entitlements and benefits as the lender with respect to outstanding loan amounts of €6,691,595.36 collectively owed to AAM by AEH and AIG; and
- issue 532,366,842[1] Consideration Shares to AAM, to be subject to voluntary escrow;

(collectively, the "**Transaction**").

Purpose

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1.6 Deutsche Balaton AG ("**DB**") holds an interest of 58.51% in the ordinary shares of AAM and 16.48% in the ordinary shares of Altech. DB is therefore considered an associate of AAM. As a result of the Transaction, AAM and DB have the potential to increase their collective interest in Altech's ordinary shares up to 34.02%.

1.7 Under the Corporations Act 2001 ("**TCA**"), by entering into the voluntary escrow deed, the Company is deemed to be acquiring a relevant interest in the Consideration Shares, as it will control the disposal of those shares during the escrow period. Accordingly, under the Transaction the Company is deemed to acquire an interest of 21.00% in its own shares.

1.8 Under Section 606 ("**s606**") of TCA, unless certain exemptions apply, a person or associated parties must not acquire a relevant interest in issued voting shares in a company if, as a result of the transaction, that person's or someone else's voting power in the company increases:

a) from 20% or below to more than 20%; or

b) from a starting point that is above 20% and below 90%.

1.9 Under Section 611 (Item 7) of TCA ("**s611**"), s606 does not apply in relation to any acquisition of shares approved by a resolution passed at a general meeting by shareholders who are not associated with the transaction (the "**Non-Associated Shareholders**"). For such a meeting, an independent expert is typically required to report on the fairness and reasonableness of the transaction.

ASX Listing Rule 10.1

1.10 Under ASX Listing Rule 10.1, a listed company may not acquire or sell a substantial asset from (among other persons) a substantial holder in the entity, if the person and the person's associates have a relevant interest, or had a relevant interest at any time in the 6 months before the transaction, in at least 10% of the total votes attaching to the voting securities in the entity, without the approval of the entity's security holders.

1.11 Under ASX Listing Rule 10.2, an asset is substantial if its value, or the value of the consideration being paid or received by the entity for it, is 5% or more of the equity interests of the entity as set out in the latest accounts provided to the ASX.

1.12 Furthermore, ASX Listing Rule 10.5 requires that the NoM to approve a transaction must include an IER stating the expert's opinion as to whether the transaction is fair and reasonable to the Non-Associated Shareholders.

[1] We note that the number of Consideration Shares is determined by 21% of the ordinary shares in Altech and may increase if Altech issue any ordinary shares prior to completion of the Transaction

1.13 For the purpose of ASX Listing Rule 10.1, AAM is considered to be a substantial holder in the Company due to the voting interest of 16.48% held by its associate, DB.

1.14 The issue of Consideration Shares represents an acquisition of a substantial asset by AAM.

Report Purpose

1.15 Accordingly, Altech intends to seek approval from Non-Associated Shareholders at the Meeting, for Resolutions 1 pursuant to Item 7 of s611 of TCA and ASX Listing Rule 10.1, and for Resolution 2 pursuant to Item 7 of s611 of TCA.

1.16 The Transaction is described in the NoM and ES to be forwarded to shareholders ahead of the Meeting. This IER provides an opinion on the fairness and reasonableness of the Transaction, including Resolutions 1 and 2, to Non-Associated Shareholders and is attached to the NoM.

Basis of Evaluation

1.17 With regard to the Australian Securities and Investments Commission ("**ASIC**") Regulatory Guide 111: Content of Expert Reports ("**RG111**"), we have assessed the Transaction as:

- fair if the value of an Altech share after the Transaction, on a minority interest basis, is greater than the value of an Altech share prior to the Transaction on a control basis; and
- reasonable if it is fair, or if despite not being fair there are sufficient reasons for Non-Associated Shareholders to accept the offer.

Pre-Transaction Valuation

AEH Valuation

1.18 We valued AEH using a DCF methodology based on a financial model for the Cerenergy Project prepared by the Company (the "**Cerenergy Financial Model**")**.** Stantons reviewed and made adjustments to the model to perform a DCF valuation. The valuation of AEH was as follows.

Table 1. AEH DCF Valuation

	Low	Preferred	High
Value of Cerenergy Project (€)	-	-	9,804,176
A$/€	0.5598	0.5598	0.5598
Value of Cerenergy Project (A$)	**-**	**-**	**17,513,711**
Interest held by AEH	75.00%	75.00%	75.00%
Value of AEH (A$)	**-**	**-**	**13,135,283**
Value held by Altech (A$) (75%)	**-**	**-**	**9,851,463**

Source: Cerenergy financial model, Stantons analysis

AIG Valuation

1.19 We valued AIG using a DCF methodology based on a financial model for the Silumina Anodes Project prepared by the Company (the "**Silumina Anodes Financial Model**"). Stantons reviewed and made adjustments to the model to perform a DCF valuation. The valuation of AIG was as follows.

Table 2. AIG DCF Valuation

	Low	Preferred	High
Value of Silumina Anodes Project (€)	206,404,134	247,203,149	297,542,455
A$/€	0.5598	0.5598	0.5598
Value of Silumina Anodes Project (A$)	**368,710,493**	**441,591,905**	**531,515,640**
Interest held by AIG	100%	100%	100%
Value of AIG (A$)	**368,710,493**	**441,591,905**	**531,515,640**
Value held by Altech (A$) (75%)	**276,532,869**	**331,193,929**	**398,636,730**

Source: Silumina Anodes financial model, Stantons analysis

Altech Pre-Transaction Share Value

1.20 Our pre-Transaction valuation of Altech shares, as at the valuation date of 27 June 2025, is set out below.

Table 3. Altech Pre-Transaction Net Assets Valuation

	Ref	Low	Preferred	High
75% interest in AEH (A$)	Table 25	-	-	9,851,463
75% interest in AIG (A$)	Table 27	276,532,869	331,193,929	398,636,730
Other net assets (A$)	Table 28	(3,292,096)	(3,292,096)	(3,292,096)
Pre-Transaction net assets (A$)		**273,240,774**	**327,901,833**	**405,196,096**
Less: options value (A$)	Table 31	(32,225,491)	(32,225,491)	(32,225,491)
Pre-Transaction ordinary share value (A$)		**241,015,282**	**295,676,342**	**372,970,605**
Number of ordinary shares outstanding (A$)	Table 7	2,002,723,406	2,002,723,406	2,002,723,406
Value per share (A$)		**0.1203**	**0.1476**	**0.1862**

Source: Stantons analysis

1.21 Accordingly, our assessed value of an Altech ordinary share prior to the Transaction, on a controlling interest basis, is between A$0.1203 and A$0.1862, with a preferred value of A$0.1476.

Post-Transaction Valuation

Altech Post-Transaction Share Value

1.22 Our net assets based valuation of Altech, post-Transaction, on a minority interest basis, is set out below.

Table 4. Altech Post-Transaction Valuation

	Ref	Low	Preferred	High
Pre-Transaction value (A$) (control)	Table 29	0.1203	0.1476	0.1862
Number of shares on issue pre-Transaction	Table 7	2,002,723,406	2,002,723,406	2,002,723,406
Total pre-Transaction value (A$)		**241,015,282**	**295,676,342**	**372,970,605**
Transaction				
25% interest in AEH acquired (A$)	Table 34	-	-	3,283,821
25% interest in AIG acquired (A$)	Table 35	92,177,623	110,397,976	132,878,910
Loan amounts (A$)		11,953,547	11,953,547	11,953,547
Post-Transaction net assets (A$)		**345,146,452**	**418,027,865**	**521,086,883**
Number of ordinary shares on issue post-Transaction	Table 7	2,535,090,248	2,535,090,248	2,535,090,248
Value per ordinary share (A$) (control basis)		**0.1361**	**0.1649**	**0.2055**
Minority interest discount (%)	10.3	23.1%	23.1%	23.1%
Value per ordinary share (A$) (minority interest)	Table 29	**0.1047**	**0.1268**	**0.1581**

Source: Stantons analysis

1.23 We assessed the fair value of an Altech post-Transaction ordinary share on a minority interest basis to be between A$0.1047 and A$0.1581, with a preferred value of A$0.1268.

Fairness Assessment

1.24 Our fairness assessment of the Transaction is as set out below.

Table 5. Fairness Assessment

	Ref	Low	Preferred	High
Pre-Transaction share value (control) (A$)	Table 29	0.1203	0.1476	0.1862
Post-Transaction share value (minority) (A$)	Table 36	0.1047	0.1268	0.1581
Opinion		**Not Fair**	**Not Fair**	**Not Fair**

Source: Stantons analysis

1.25 As the value of a post-Transaction ordinary share in Altech on a minority interest basis is less than the pre-Transaction value on a control basis, we consider Resolution 1 and 2 of the NoM to be **NOT FAIR** to the Non-Associated Shareholders of Altech for the purposes of s611 of the Corporations Act and Chapter 10.1 of the ASX Listing Rules.

Reasonableness Assessment

1.26 With regard to RG111.12, we determined the Transaction is **REASONABLE** to Non-Associated Shareholders of Altech, as on balance, the advantages outweigh the disadvantage.

Table 6. Reasonableness Assessment of the Transaction

Advantages	Disadvantages
▪ Simplifies ownership structure of the Cerenergy and Silumina Anodes Projects, which may assist in raising funds to finance the projects ▪ Increase the Company's direct interests in the Cerenergy Project and Silumina Anodes Project ▪ Improved efficiency in commercialising project	▪ Transaction is not fair ▪ Dilution of Non-Associated Shareholders

Source: Stantons analysis

1.27 Non-Associated Shareholders should note that we have not considered the tax circumstances of individual shareholders. Shareholders should consult their tax advisor in this regard.

Conclusion

1.28 In our opinion, the Transaction that is the subject of Resolution 1 and 2 of the NoM is **NOT FAIR** but **REASONABLE** to the Non-Associated Shareholders of Altech.

1.29 This opinion must be read in conjunction with the more detailed analysis included in this report, together with the disclosures, Financial Services Guide, and appendices to this report.

Financial Services Guide

Dated 2 July 2025

Stantons Corporate Finance Pty Ltd

Stantons Corporate Finance Pty Ltd (ABN 42 128 908 289 and AFSL Licence No 448697) (**"Stantons"** or **"we"** or **"us"** or **"ours"** as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

Financial Services Guide

In the above circumstances, we are required to issue to you, as a retail client, a Financial Services Guide ("**FSG**"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

a) who we are and how we can be contacted;

b) the services we are authorized to provide under our **Australian Financial Services Licence, Licence No: 448697;**

c) remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;

d) any relevant associations or relationships we have; and

e) our complaints handling procedures and how you may access them.

Financial services we are licensed to provide

We hold an Australian Financial Services Licence which authorises us to provide financial product advice in relation to:

- Securities (such as shares, options and debt instruments)

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General Financial Product Advice

In our report, we provide general financial product advice, not personal financial product advice, because it has been prepared without considering your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product. Where you do not understand the matters contained in the Independent Expert's Report, you should seek advice from a registered financial adviser.

Benefits that we may receive

We charge fees for providing reports. These fees will be agreed with, and paid by, the person who engages us to provide the report. Fees will be agreed on either a fixed fee or time cost basis. Our fee for preparing this report is expected to be up to A$70,000 exclusive of GST.

You have a right to request further information in relation to the remuneration, the range of amounts or rates of remuneration and you can contact us for this information.

Except for the fees referred to above, neither Stantons, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

Remuneration or other benefits received by our employees

Stantons employees and contractors are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

Stantons is ultimately a wholly owned subsidiary of Stantons International Audit and Consulting Pty Ltd, a professional advisory and accounting practice. From time to time, Stantons and Stantons International Audit and Consulting Pty Ltd (that trades as Stantons International) and/or their related entities may provide professional services, including audit, accounting and financial advisory services, to financial product issuers in the ordinary course of its business.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to:

The Complaints Officer
Stantons Corporate Finance Pty Ltd
Level 2
40 Kings Park Road
WEST PERTH WA 6005

When we receive a written complaint, we will record the complaint, acknowledge receipt of the complaints within 10 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ("**AFCA**"). AFCA has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about AFCA are available at the AFCA website www.afca.org.au or by contacting them directly via the details set out below.

Australian Financial Complaints Authority Limited
GPO Box 3
MELBOURNE VIC 3001

Telephone: 1800 931 678

Stantons confirm that it has arrangements in place to ensure it continues to maintain professional indemnity insurance in accordance with s.912B of the Corporations Act 2001 (as amended). In particular our Professional Indemnity insurance, subject to its terms and conditions, provides indemnity up to the sum

insured for Stantons and our authorised representatives / representatives / employees in respect of our authorisations and obligations under our Australian Financial Services Licence. This insurance will continue to provide such coverage for any authorised representative / representative / employee who has ceased work with Stantons for work done whilst engaged with us.

Contact details

You may contact us using the details set out above or by phoning (08) 9481 3188 or faxing (08) 9321 1204.

Table of Contents

2 Summary of Transaction

Background

2.1 Altech is an Australian public Company listed on ASX that develops specialty battery technology. Altech holds a 75% interest in AEH, which holds a 75% interest in the Cerenergy Project; and a 75% interest AIG, which holds the Silumina Anodes Project. AAM is a German public company listed on the Deutsche Boerse. AAM holds a 25% interest in each of AEH and AIG.

Transaction Terms

2.2 The Company entered into the Acquisition Agreement with AAM under which ATC proposes to:

a) acquire AAM's 25% interest in AEH, comprising 6,250 ordinary shares in AEH;

b) acquire AAM's 25% interest in AIG, comprising 6,250 ordinary shares in AIG;

c) acquire all rights, entitlements and benefits as the lender with respect to outstanding loan amounts of €6,691,595.36 (the "**Sale Loans**") collectively owed to AAM by AEH and AIG;

i) €3,751,832.45 owed to AAM by AIG, comprising €3,636,973.80 in principal and €114,858.65 in accrued interest; and

ii) €2,939,762.81 owed to AAM by AEH, comprising €2,853,000 in principal and €86,762.81 in accrued interest; and

d) issue 532,366,842[2] Consideration Shares to AAM, to be held subject to voluntary escrow for a period of 12 months.

2.3 Pursuant to the terms of the Acquisition Agreement, the Transaction is conditional upon:

a) the Company obtaining all necessary regulatory, shareholder, third party or corporate approvals, including compliance with ASX Listing Rules and any requirements under Australian and German laws;

b) the Company and AAM executing a voluntary escrow deed setting out the terms upon which the Consideration Shares will be subject to voluntary escrow;

c) the supervisory board of AAM appointing Mr Uwe Ahrens as Managing Director of AAM until 31 December 2026 on the same terms as his current arrangements;

d) the Company and AAM executing all necessary agreements and documentation to affect the transfer and assignment of the Sale Loans to the Company; and

e) the Company obtaining tax advice confirming that the Transaction can proceed on acceptable tax terms.

[2] We note that the number of Consideration Shares is determined by 21% of the ordinary shares in Altech and may increase if Altech issue any ordinary shares prior to completion of the Transaction

Transaction Impact

2.4 The existing outstanding ordinary shares in the Company are held as follows.

Table 7. Impact of Transaction on Altech's Ordinary Share Structure

Shareholder	Pre-Transaction ordinary shares	Pre-Transaction Percentage	Consideration Shares	Post-Transaction ordinary shares	Post-Transaction Percentage
AAM and DB	330,043,076	16.48%	532,366,842	862,409,918	34.02%
Other shareholders	1,672,680,330	83.52%	-	1,672,680,330	65.98%
Total	**2,002,723,406**	**100.00%**	**532,366,842**	**2,535,090,248**	**100.00%**
Shares held in escrow	-	-	532,366,842	532,366,842	21.00%

Source: ASX announcements, NoM

3 Scope

Purpose of the Report

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3.1 DB holds an interest of approximately 16.48% in the ordinary shares of Altech. DB is the controlling shareholder of AAM with an interest of 58.51%. Accordingly, AAM is considered an associate of DB. As a result of the Transaction, AAM and DB have the potential to increase their collective interest in Altech's ordinary shares up to 34.02%.

3.2 Under TCA, by entering into the voluntary escrow deed, the Company is deemed to be acquiring a relevant interest in the Consideration Shares, as it will control the disposal of those shares during the escrow period. Accordingly, under the Transaction the Company is deemed to acquire an interest of 21.00% in its own shares.

3.3 An acquisition of securities that enables a shareholder to increase its relevant interest in the voting shares of a public company:

- from below 20% to above 20%; or
- from a starting point that is above 20% and below 90%,

is prohibited under s606 of TCA, except in certain circumstances.

3.4 One of the exceptions to s606 is where the acquisition is approved at a general meeting of the company in accordance with Item 7 of s611 of TCA. Approval for the proposed Transaction is therefore being sought at the Meeting in accordance with Item 7 of s611.

3.5 Item 7 of s611 requires shareholders to be provided with all information known to the Company, and to the potential acquirer (of a 20% or more interest), that is material to the shareholders' decision. Regulatory Guide 74: Acquisitions Approved by Members ("**RG74**") issued by ASIC provides additional guidance on the information to be provided to shareholders. RG74 states that the directors of the target company should usually provide shareholders with an IER on the proposed transaction.

3.6 Pursuant to ASIC's RG111, an issue of shares under Item 7 of s611 where the effect on a company's shareholding is comparable to a takeover bid should be treated as such. In this case, an IER should apply the analysis outlined in RG111.10 to RG111.17 to report on the fairness and reasonableness of the transaction as if it were a takeover bid under Chapter 6 of TCA (RG111.25).

ASX Listing Rule 10.1

3.7 Under ASX Listing Rule 10.1, a listed company may not acquire or sell a substantial asset from (among other persons) a substantial holder in the entity, if the person and the person's associates have a relevant interest, or had a relevant interest at any time in the 6 months before the transaction, in at least 10% of the total votes attaching to the voting securities in the entity, without the approval of the entity's security holders.

3.8 Under ASX Listing Rule 10.2, an asset is substantial if its value, or the value of the consideration being paid or received by the entity for it, is 5% or more of the equity interests of the entity as set out in the latest accounts provided to the ASX.

3.9 Furthermore, ASX Listing Rule 10.5 requires that the NoM to approve a transaction must include an IER stating the expert's opinion as to whether the transaction is fair and reasonable to the Non-Associated Shareholders.

3.10 For the purpose of ASX Listing Rule 10.1, AAM is considered to be a substantial holder in the Company due to the voting interest of 16.48% held by its associate, DB.

3.11 The issue of Consideration Shares represents an acquisition of a substantial asset by AAM.

Purpose

3.12 Altech intends to seek approval for Resolutions 1 and 2 from the Non-Associated Shareholders at the Meeting expected to be held in or around August 2025.

3.13 Accordingly, the Independent Directors of Altech have engaged Stantons to prepare an IER to assess the fairness and reasonableness of the proposals contained in:

i) Resolution 1, for the issue of the Consideration Shares to AAM, pursuant to s611 of TCA and ASX Listing Rule 10.1; and

ii) Resolution 2, for the deemed issue of the Consideration Shares to the Company under the Voluntary Escrow Agreement, pursuant to s611 of TCA;

as detailed in the NoM and ES.

Basis of Evaluation

3.14 In determining the fairness and reasonableness of the Transaction, we have had regard to the guidelines set out by ASIC's RG111 and RG 112.

3.15 RG111 requires a separate assessment of whether a transaction is "fair" and whether it is "reasonable".

3.16 We therefore considered the concepts of "fairness" and "reasonableness" separately. The basis of assessment selected and the reasons for that basis are discussed below.

3.17 We note that under RG111 the Transaction is considered to be a control transaction.

Fairness

3.18 To assess whether the Transaction is fair in accordance with RG111, we compared:

- the fair market value of an ordinary share in Altech prior to the Transaction, on a control basis; with
- the fair market value of an ordinary share in Altech subsequent to the Transaction, on a minority interest basis.

3.19 The value of an Altech ordinary share is assessed at fair market value, which is defined by the International Glossary of Business Valuation Terms as:

> *"The price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arm's length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts."*

3.20 While RG111 contains no explicit definition of value, we believe the above definition of fair market value is consistent with RG111.11 and common market practice.

Reasonableness

3.21 In accordance with RG111.12, we have defined the Transaction as being reasonable if it is fair, or if despite not being fair we believe that there are sufficient reasons for the Non-Associated Shareholders to accept the proposal.

3.22 We therefore considered whether the advantages to Non-Associated Shareholders of approving the Transaction outweigh the disadvantages.

Individual Circumstances

3.23 We have evaluated the Transaction for Non-Associated Shareholders generically. We have not considered the effect on the circumstances of individual investors. Due to their personal circumstances, individual investors may place different emphasis on various aspects of the Transaction from those adopted in this report. Accordingly, individuals may reach a different conclusion to ours on whether the Transaction is fair and reasonable. If in doubt, investors should consult an independent financial adviser about the impact of the Transaction on their specific financial circumstances.

4 Profile of Altech

History and Principal Activities

4.1 Altech is an Australian public company listed on the ASX that develops specialty battery technology. The Company's major projects are as follows:

- **CERENERGY:** The Cerenergy Project is a joint venture with a German battery institute, Fraunhofer IKTS, which is developing a sodium chloride solid state battery. The Company seeks to commercialise the technology to provide an alternative to lithium-ion batteries for grid storage. The Company intends to construct a 120MWh production facility in Saxony, Germany.

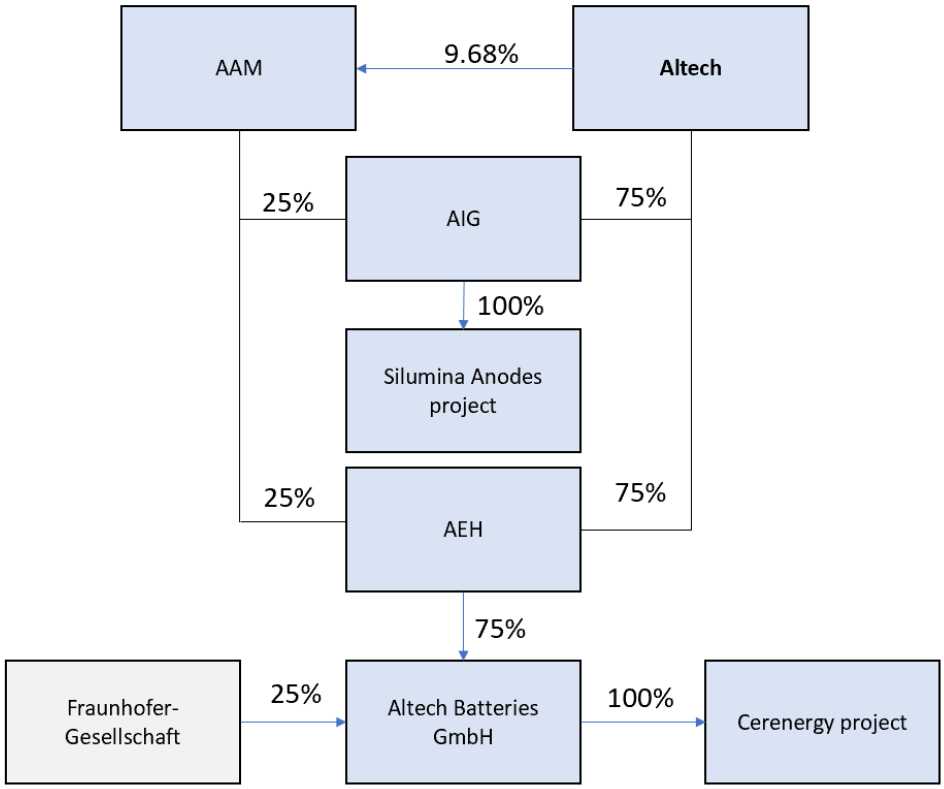
  The Company has finalised a 60kWh prototype with promising results and has completed a Definitive Feasibility Study ("**DFS**"). The Company has entered into 3 letters of intent for offtake arrangements to provide Cerenergy grid packs commencing on completion of the plant. Altech is assessing its funding options for construction of the plant and has appointed a big 4 professional services firm as a funding advisor.

- **Silumina Anodes**: The Silumina Anodes Project seeks to develop a battery material coating technology for use in the electric vehicle battery market. The project has been licenced to Altech's 75% owned subsidiary, AIG.

  The Company has completed a DFS for the development of an 8,000tpa silicon alumina coating plant in Saxony, Germany. A silicon product to incorporate in lithium-ion batteries has been patented. Construction of a pilot plant to produce 120kg per day of Silumina Anodes for distribution to potential customers has been finalised and has recently commenced operations.

4.2 The ownership structure of the Cerenergy Project and Silumina Anodes Project is as set out below.

Figure 1. Project Ownership Structure



Source: AAM Annual Report 2024

4.3 In addition to the above projects, the Company also holds:

- **HPA Plant:** The project to produce high purity alumina through the construction and operation of a 4,500tpa processing plant in Johor, Malaysia. Initial construction works commenced in August 2018. The HPA plant is part way constructed and is currently on care and maintenance. Altech announced on 25 March 2025 that it has "*placed its Malaysian land in Johor on the market for sale.*"
- **Western Australian Mining Tenements**: The Company holds an exploration tenement at Kerrigan and a mining lease at Meckering in Western Australia, which contains a kaolin Mineral Resource and Ore Reserve. However, the Company has advised us that they are not currently pursuing this project.

4.4 Altech's group structure is as set out below.

Table 8. Altech Group Structure

Entity	Principal activity	Percentage owned by Altech
Altech	Parent entity	n.a.
Altech Chemicals Sdn Bhd (Malaysia)	HPA Plant	100
AEH	Investment holding	75
AIG	Battery materials plant	75
Altech Batteries GmbH	Grid-storage battery plant	56
Altech Meckering Pty Ltd	Kaolin mine	100
Altech Chemicals Australia Pty Ltd	Intellectual property/patent holder	100
Canning Coal Pty Ltd	Mineral exploration	100

Source: Altech 2024 Annual Report

Recent Corporate Activities

4.5 Recent capital raisings completed by Altech are set out below.

Table 9. Altech Capital Raising History

Date	Raising	Issue price (A$)	Number of shares	Total value[3] (A$)
22 Nov 2024	Placement	0.060	66,666,667	4,000,000
9 Oct 2024	Shortfall placement	0.040	51,979,179	2,079,167
17 Sep 2024	Entitlement offer	0.040	161,830,134	6,473,205
21 May 2024	Share purchase plan	0.065	57,246,037	3,720,992
17 Aug 2023	Shortfall placement	0.070	29,414,218	2,058,995
11 Aug 2023	Entitlement offer	0.070	147,145,801	10,300,206
21 Jul 2023	Placement	0.070	42,857,142	3,000,000

Source: ASX announcements, Stantons analysis

[3] Excluding costs

Board of Directors

4.6 The current board of directors of Altech, as at 30 June 2025, is as follows.

Table 10. Altech Board of Directors

Director	Position	Date Appointed	Details
Daniel Tenardi	Non-Executive Chairman	17 September 2009	Mr Tenardi is a global resource executive with over 40 years of experience in the mining and processing sectors. He spent 13 years at Alcoa's alumina refinery in Kwinana as well as the company's bauxite mine in the Darling Ranges of Western Australia. He was the founding managing director of Australian Silica Quartz Limited (then called Bauxite Resources Limited) and has been a non-executive director of Australian iron ore producer, Grange Resources Limited.
Ignatius Kim-Seng Tan	Managing Director	25 August 2014	Mr Tan is a mining and chemical executive with over 30 years of experience. He has experience in capital raisings, construction, start-ups and operations of commercial mining projects. He has previously held managing director positions at ASX-listed Kogi Iron Limited and Galaxy Resources Limited.
Peter Bailey	Non-Executive Director	8 June 2012	Mr Bailey is an engineer with over 40 years of experience in the mining and industrial chemical production industry. He was previously Chief Executive Officer at Sherwin Alumina, an alumina refinery in Texas, USA. Prior to Sherwin, he was president of Alcoa Worldwide Chemical's industrial chemicals department.
Hansjoerg Plaggemars	Non-Executive Director	19 August 2020	Mr Plaggemars was previously a member of the board of Delphi and DB and acts as their representative. He has experience as a company director and manager. He has been a management consultant since 2017 and is a board member of the Frankfurt Stock Exchange Listed Altech Advanced Materials AG. He is currently a non-executive director at ASX listed Geopacific Resources Limited, Wiluna Mining Corporation, Spartan Resources Limited, PNX Metals Limited, Kin Mining Limited and Azure Minerals Limited.
Tunku Yaacob Khyra	Non-Executive Director	22 October 2015	Mr Khyra is the executive chairman of the Melewar Khyra Group of Companies, a Malaysian based diversified financial and industrial services group. He is the major shareholder of Melewar and sits on the boards of Khyra Legacy Berhad, Mycron Steel Berhad, MAA Group Berhad, Melewar Industrial Group Berhad, Ithmaar Bank B.S.C. (listed on the Bahrain Stock Exchange) and several other private companies.
Uwe Ahrens	Alternate Director	22 October 2015	Mr Ahrens is an alternate director for Mr Khyra. He is the executive director of Melewar Industrial Group Berhad and managing director of Melewar Integrated Engineering Sdn Bhd. He held a senior management position for 12 years at KOCH Transportlechnik GmbH, an international engineering and industrial plant supplier based in Germany.

Source: Altech 2024 Annual Report, ASX announcements

Financial Performance

4.7 Altech's audited Statements of Profit or Loss and Other Comprehensive Income for the financial years ended 30 June 2023 and 30 June 2024 and reviewed for the half-year period ended 31 December 2024 are set out below.

Table 11. Altech Consolidated Statement of Profit or Loss

	Audited 12 months to 30 June 2023 (A$)	Audited 12 months to 30 June 2024 (A$)	Reviewed 6 months to 31 December 2024 (A$)
Revenue from ordinary activities			
Interest Income	234,078	112,679	39,764
R&D tax refunds	41,570	55,636	47,850
Other income	20,808	88,451	224,484
Fair value gain on investment (AAM AG)	14,740,750	-	-
Total income	**15,037,206**	**256,766**	**312,098**
Expenses			
Employee benefit expense	(4,478,536)	(6,214,529)	(3,382,971)
Depreciation	(347,771)	(399,704)	(389,492)
Other expenses	(3,900,958)	(4,720,512)	(2,793,346)
Share based payments	(1,076,658)	(3,193,497)	(645,276)
Share in profit/(loss) of associate - AAM AG	(241,130)	-	-
Fair value gain/(loss) on investments in AAM AG	-	(12,331,940)	(1,523,196)
Impairment of property, plant & equipment & development expenditure	(63,958,139)	-	-
Write-down of assets	-	(245,461)	-
Research and development	(3,748,711)	(6,001,441)	(1,635,591)
Profit/loss on disposal of assets	(67)	-	-
Interest expense	(56,989)	-	(11,231)
Forex gain/(loss)	472,585	51,389	(1,959)
Profit/(loss) before income tax expense	**(62,299,168)**	**(32,798,929)**	**(10,070,964)**
Income tax expense	519,295	505,253	-
Net income/(loss) for year	**(61,779,873)**	**(32,293,676)**	**(10,070,964)**
Other comprehensive profit/(loss)			
Items that may be reclassified subsequently to profit and loss:			
Exchange differences on translating foreign controlled entities	(2,980,966)	(767,555)	1,181,715
Total comprehensive profit/(loss), net of tax	**(64,760,839)**	**(33,061,231)**	**(8,889,249)**
Profit/(loss) for the year attributable to:			
Owners of the parent entity	(59,717,465)	(28,061,929)	(7,410,775)
Non-controlling interest	(2,062,408)	(4,231,747)	(2,660,189)
Total profit/(loss) for the year, net of tax	**(61,779,873)**	**(32,293,676)**	**(10,070,964)**
Total comprehensive profit/(loss) for the year attributable to:			
Owners of the parent entity	(62,698,431)	(28,829,484)	(6,229,060)
Non-controlling interest	(2,062,408)	(4,231,747)	(2,660,189)
Total comprehensive profit/(loss) for the year	**(64,760,839)**	**(33,061,231)**	**(8,889,249)**

Source: Altech's 2024 Annual Report and Half Year Report for the Period ended 31 December 2024

Financial Position

4.8 Set out below is Altech's reviewed consolidated Statement of Financial Position as at 31 December 2024, with adjustments made for subsequent events including the exercise of options and cash expenditures announced in the Company's quarterly cash flow report for the period ending 31 March 2025. No significant subsequent events have occurred since 31 March 2025.

Table 12. Altech Statement of Financial Position

	Reviewed as at 31 December 2024 (A$)	Adjustments (A$)	Adjusted as at 30 June 2025 (A$)
Assets			
Current assets			
Cash and cash equivalents	7,200,628	(5,050,000)	2,150,628
Trade and other receivables	1,820,887	-	1,820,887
Total current assets	**9,021,515**	**(5,050,000)**	**3,971,515**
Non-current assets			
Property plant and equipment	22,647,846	505,000	23,152,846
Right of use assets	4,689,905	-	4,689,905
Exploration and evaluation expenditure	1,380,981	61,000	1,441,981
Other financial assets	3,995,701	(1,338,663)	2,657,038
Total non-current Assets	**32,714,433**	**(772,663)**	**31,941,770**
Total assets	**41,735,948**	**(5,822,663)**	**35,913,285**
Liabilities			
Current liabilities			
Lease liabilities	(35,314)	11,000	(24,314)
Trade and other payables	(3,824,313)	-	(3,824,313)
Provisions	(237,004)	-	(237,004)
Total current liabilities	**(4,096,631)**	**11,000**	**(4,085,631)**
Non-current liabilities			
Lease liability	(61,255)	-	(61,255)
Provisions	(172,803)	-	(172,803)
Loans payable	(10,998,320)	(955,227)	(11,953,547)
Total non-current liabilities	**(11,232,378)**	**(955,227)**	**(12,187,605)**
Total liabilities	**(15,329,009)**	**(944,227)**	**(16,273,236)**
Total net assets	**26,406,939**	**(6,766,890)**	**19,640,049**
Equity			
Contributed equity	155,131,364	13,000	155,144,364
Reserves	6,066,762	-	6,066,762
Accumulated losses	(125,785,930)	(6,779,890)	(132,565,820)
Non-controlling interests	(9,005,257)	-	(9,005,257)
Total equity	**26,406,939**	**(6,766,890)**	**19,640,049**

Source: Altech Interim Financial Report for the half year ended 31 December 2024, ASX announcements

Commentary on Financial Position

4.9 We note that property, plant and equipment comprise the following carrying balances as at 31 December 2024 (net of depreciation and amortisation).

Table 13. Property, Plant and Equipment Breakdown

	Balance as at 31 December 2024 (A$)
Office equipment	361,555
Land	3,912,951
P&E	32,303
Malaysian HPA Plant	518,228
Silumina Plant	10,679,872
Cerenergy Plant	7,142,937
Total	**22,647,846**

Source: Altech Interim Financial Report for the half year ended 31 December 2024

4.10 With respect to the Malaysian HPA plant, the Company states in its Interim Financial Report for the half year ended 31 December 2024:

> *"the Malaysian HPA plant is part way constructed and is currently on care and maintenance. The Company requires further capital to complete the plant. Due to uncertainties surrounding the prospect of obtaining the funding for this plant, the Company has taken the prudent approach to provide an impairment of the Malaysian HPA Plant to its fair value less costs of disposal. A valuation of the HPA Plant conducted by a licenced professional valuer formed the basis of the impairment."*

4.11 Other financial assets comprise the Company's holding of 766,706 ordinary shares in AAM. We have adjusted the value to reflect the market price and exchange rate as at 30 June 2025.

4.12 Loans payable relate to the Sale Loans, which are funds advanced from AAM to AEH and AIG. We have adjusted the balance to reflect the current amount owing on the Sale Loans.

Capital Structure

Ordinary shares

4.13 As at 30 June 2025, Altech had 2,002,723,406 ordinary shares on issue, with the top 20 holders as at 26 March 2025 being as follows.

Table 14. Altech Top 20 Shareholders

Shareholder	Number held	Percentage (%)
MAA Group Berhad	164,995,241	8.24%
DB	142,947,774	7.14%
BNP Paribas Nominees Pty Ltd <Clearstream>	112,708,825	5.63%
BNP Paribas Noms Pty Ltd	112,467,398	5.62%
Citicorp Nominees Pty Ltd	103,709,676	5.18%
Delphi Unternehmensberatung Aktiengesellschaft	100,737,763	5.03%
SMS Investments SA	57,418,528	2.87%
Kenneth Hall <Hall Park A/C>	16,961,538	0.85%
BNP Paribas Nominees Pty Ltd <IB AU Noms Retailclient>	15,178,085	0.76%
John Smith & Barbara Smith <John R Smith Family A/C>	14,019,231	0.70%
Basil Catsipordas	12,950,000	0.65%
BNP Paribas Nominees Pty Ltd <UOB KH PL>	11,982,282	0.60%
Lake Mcleod Gypsum Pty Ltd	11,408,202	0.57%
Yusuf Kucukbas <Yasep A/C>	11,000,000	0.55%
HSBC Custody Nominees (Australia) Ltd	9,136,169	0.46%
J & B Smith Superannuation Pty Ltd <Loch M Fraser Cu Tra SF A/C>	8,000,000	0.40%
Peter Bourke & Kerrie Jones <Bourke Super Fund A/C>	7,573,000	0.38%
Peter Ellgar	7,001,000	0.35%
Whale Watch Holdings Limited	7,000,000	0.35%
Thirty Six Vilmar Pty Ltd	6,830,440	0.34%
Total Top 20	**934,025,152**	**46.64%**
Non-top 20 shareholders	1,068,698,254	53.36%
Total Shares (as at 26 March 2025)	**2,002,723,406**	**100.00%**

Source: Altech shareholder register as at 26 March 2025

4.14 We note that DB and at associates hold 330,043,076 ordinary shares comprising those held by directly by DB and Delphi and 85,357,539 held indirectly by Latonba AG.

Options

4.15 As at 30 June 2025 the Company had the following options on issue.

Table 15. Altech Option Details

Option	Number	Exercise price (A$)	Expiry date
Listed options ATCOC	186,030,170	0.06	31-Dec-25
Unlisted options	28,545,876	0.08	30-Apr-26
Total options	**214,576,046**		

Source: ASX announcements

Performance Rights

4.16 As at 30 June 2025 the Company had 121,650,000 performance rights on issue. Each performance right is exercisable into one ordinary share at the election of the holder for nil consideration on achievement of the relevant vesting condition. The performance rights on issue are as set out below.

Table 16. Altech Performance Rights

Performance Right	Number	Vesting condition
Tranche 1a	10,625,000	Successful funding of the HPA project and the first anniversary date of the issue of performance rights
Tranche 1b	10,625,000	Sale of the first tonne of HPA product and confirmation that the plant is operating at a steady state of production and the third anniversary date of the issue of performance rights
Tranche 2a	15,900,000	Completion of a Definitive Feasibility Study in relation to the 10,000tpa Silumina Anodes plant as well as finalising construction of a Silumina Anodes pilot plant and the 14-day Volume Weighted Average Price ("**VWAP**") being above A$0.12 per share
Tranche 2b	15,900,000	The Company obtaining funding for construction in relation to a 10,000tpa Silumina Anodes plant and the 14-day VWAP being above A$0.15 per share
Tranche 2c	15,900,000	Production of the first tonne of Silumina Anodes from the 10,000tpa plant as well as achieving a steady state of production from the 10,000tpa plant and the 14-day VWAP being above A$0.19 per share
Tranche 3a	15,900,000	Completion of a Definitive Feasibility Study in relation to the 100MWh Cerenergy battery plant and the 14-day VWAP being above A$0.12 per share
Tranche 3b	15,900,000	The Company obtaining funding for construction in relation to a 100MWh Cerenergy battery plant and the 14-day VWAP being above A$0.15 per share
Tranche 3c	15,900,000	Production of the first Cerenergy battery from the plant and the 14-day VWAP being above A$0.19 per share
Tranche 4	5,000,000	Completion of clearance of the site for the HPA plant for the commencement of construction
Total	**121,650,000**	

Source: ASX announcements

Analysis of Trading History

4.17 Details of Altech's trading history on ASX as at 27 June 2025 are set out below.

Table 17. Altech ASX Trading History

Trading Days	Low Price (A$)	High Price (A$)	VWAP (A$)	Cumulative volume traded	Percentage of total shares (%)	Annual equivalent (%)	Percentage of free float (%)	Annual equivalent (%)
1 Day	0.033	0.034	0.033	782,570	0.04%	9.89%	0.05%	13.66%
10 Days	0.033	0.040	0.036	23,643,130	1.18%	29.87%	1.63%	41.12%
30 Days	0.033	0.046	0.038	44,529,880	2.22%	18.75%	3.07%	25.71%
60 Days	0.033	0.046	0.039	76,441,710	3.82%	16.09%	5.28%	21.98%
90 Days	0.033	0.047	0.040	112,560,840	5.62%	15.80%	7.77%	21.49%
180 Days	0.033	0.080	0.048	403,877,370	20.29%	28.52%	28.49%	39.25%
1 Year[4]	0.033	0.080	0.047	504,333,460	26.24%	26.24%	37.98%	37.98%

Source: S&P Capital IQ, Stantons analysis

4.18 The trading history of Altech on ASX for the two-year period to 27 June 2025 is set out below.

Figure 2. Altech ASX Trading History

Source: S&P Capital IQ

[4] 253 trading days

4.19 The key announcements made by the Company over the past 12 months to 30 June 2025 are as follows.

Table 18. Key Altech ASX Announcements

Date	Announcement details
20 June 2025	Luke Atkins will retire from the Board on 30 June 2025 and be replaced by Daniel Tenardi as Chairman
29 May 2025	An independent comparison on the Cerenergy technology against other battery technologies was completed by technical specialist, DNV
6 May 2025	Update on the Silumina Anodes Project including commencement of operation of the pilot plant
17 April 2024	Quarterly activities report to 31 March 2025 released
25 Mar 2025	Altech announces it has entered into a Subscription Deed with DB for the issue of up to €2,500,000 in bearer bonds
17 Mar 2025	The Cerenergy Project receives environmental and construction approval under the German Federal Immission Control Act
28 Feb 2025	Altech executed a binding term sheet to acquire Altech Advanced Materials AG's 25% equity interests in Altech Energy Holding GmbH and Altech Industries Germany GmbH
29 Jan 2025	Quarterly activities report to 31 December 2024 released
24 Jan 2025	Cerenergy battery project awarded the highest possible "dark green" category by the Independent Centre of International Climate and Environmental Research
18 Dec 2024	Altech enters the third offtake agreement for Cerenergy with Axsol GmbH
26 Nov 2024	Altech executed a second offtake letter of intent for Cerenergy grid packs with Referenzkraftwerk Lausitz GmbH. The Company will provide 30MWh of energy storage capacity in the first year and 32MWh per year for a further 4 years, commencing from mid-2027
15 Nov 2024	Altech will undertake a placement of A$4,000,000 comprising the issue of 66,66,667 ordinary shares at A$0.06 per share
25 Oct 2024	Quarterly activities report to 30 September 2024 released
17 Oct 2024	Altech has shown through testing a 55% increase in lithium battery anode energy capacity, marking a significant breakthrough
15 Oct 2024	2024 Annual Report released
1 Oct 2024	The first Cerenergy 60 KWh prototype is online and operating successfully
13 Sept 2024	Altech executed its first offtake letter of intent, with Zweckerverband Industriepark Schwarze Pumpe. The Company will provide 30MWh of energy storage capacity annually for 5 years, starting from mid- 2027
13 Sept 2024	An entitlement offer closed, with the Company raising A$6,473,205 through the issue of 161,830,134 shares at A$0.04, and 80,915,359 free-attaching options
7 Aug 2024	The Company will undertake an entitlement offer and placement to raise up to $8,900,000
31 July 2024	Quarterly activities report to 30 June 2024 released

Source: ASX announcements

5 Profile of AAM

History and Principal Activities

5.1 AAM is a German public company listed on the Deutsch Boerse. AAM holds an interest in the Cerenergy and Silumina Anodes Projects through a 25% interest in each of AEH and AIG. AAM does not have any other operations. The ownership structure of the Cerenergy Project and Silumina Anodes Project is presented in Figure 1 on page 15.

Financial Performance

5.2 AAM's audited Statements of Profit or Loss and Other Comprehensive Income for the financial years ended 30 June 2023 and 30 June 2024 and reviewed for the half-year period ended 31 December 2024 are set out below.

Table 19. AAM Statement of Profit or Loss and Other Comprehensive Income

	Audited 12 months to 30 June 2022 (€)	Audited 12 months to 31 December 2023 (€)	Audited 12 months to 31 December 2024 (€)
Revenue	-	77,888	93,558
Other operating income	2,811	36,969	193,124
Total income	**2,811**	**114,857**	**286,681**
Expenses			
Salaries and wages	(183,800)	(569,116)	(382,527)
Social security contributions and expenses for retirement benefits	(13,195)	(23,734)	(25,151)
Depreciation	(499,999)	-	-
Other operating expenses	(593,934)	(1,018,323)	(678,756)
Income from securities and loans	4,988	92,974	178,947
Amortisation of financial assets	(295)	-	-
Interest expense	(147,300)	(246,578)	(219,310)
Profit/(loss) before income tax expense	**(1,430,725)**	**(1,649,919)**	**(840,115)**
Income tax expense	-	-	-
Net income/(loss) for year	**(1,430,725)**	**(1,649,919)**	**(840,115)**

Source: AAM Annual Reports for the years ended 31 December 2023 and 31 December 2024

Financial Position

5.3 Set out below is AAM's audited consolidated Statement of Financial Position as at 31 December 2024.

Table 20. AAM Statement of Financial Position

	Audited as at 31 December 2024 (€)
Assets	
Current assets	
Cash and cash equivalents	730,335
Trade and other receivables	95,573
Other current assets	17,586
Total current assets	**843,495**
Non-current assets	
Investments in associates	5,015,856
Loans to associates	6,489,974
Prepaid expenses	561,696
Total non-current assets	**12,067,526**
Total assets	**12,911,021**
Liabilities	
Current liabilities	
Trade payables	(31,543)
Provisions	(188,547)
Total current liabilities	**(220,090)**
Non-current liabilities	
Convertible bond	(3,531,250)
Liabilities to affiliates	(126,027)
Other liabilities	(244,050)
Total non-current liabilities	**(3,901,327)**
Total liabilities	**(4,121,417)**
Total net assets	**8,789,604**
Equity	
Contributed equity	7,922,919
Accumulated losses	(3,582,432)
Reserves	4,449,117
Total equity	**8,789,604**

Source: AAM Annual Reports for the years ended 31 December 2024

Ordinary shares

5.4 As at 30 June 2025, AAM had 7,922,919 ordinary shares on issue, with the top holders being as follows.

Table 21. AAM Top Shareholders

Shareholder	Number held	Percentage (%)
DB	4,635,892	58.51%
Altech	766,706	9.68%
Yaacob Khyra	528,196	6.67%
Christian Bartels-Vo Varnbüler	280,000	3.53%
Andrew Downe	125,000	1.58%
Total top holders	**6,335,794**	**79.97%**
Non-top shareholders	1,587,125	20.03%
Total Shares (as at 27 June 2025)	**7,922,919**	**100.00%**

Source: S&P Capital IQ

Analysis of Trading History

5.5 Details of AAM's trading history on the Deutsche Boerse as at 27 June 2025 are set out below.

Table 22. AAM's Deutsche Boerse Trading History

Trading Days	Low Price (€)	High Price (€)	VWAP (€)	Cumulative volume traded	Percentage of total shares (%)	Annual equivalent (%)	Percentage of free float (%)	Annual equivalent (%)
1 Day	1.960	1.960	1.920	1,500	0.02%	4.79%	0.20%	51.55%
10 Days	1.920	2.000	1.920	1,500	0.02%	0.48%	0.20%	5.13%
30 Days	1.770	2.200	1.980	2,250	0.03%	0.24%	0.31%	2.56%
60 Days	1.530	2.800	2.005	4,990	0.06%	0.26%	0.68%	2.82%
90 Days	1.530	3.280	2.342	7,300	0.09%	0.25%	0.99%	2.74%
180 Days	1.530	4.000	2.831	18,450	0.22%	0.30%	2.51%	3.45%
1 Year[5]	1.530	5.000	3.352	51,560	0.63%	0.63%	7.00%	7.00%

Source: S&P Capital IQ, Stantons analysis

[5] 253 trading days

5.6 The trading history of AAM on the Deutsche Boerse for the two-year period to 27 June 2025 is set out below.

Figure 3. AAM Deutsche Boerse Trading History

Source: S&P Capital IQ

6 Valuation Methodology

Available Methodologies

6.1 In assessing the value of Altech, AEH and AIG, we have considered a range of common market practice valuation methodologies in accordance with RG111, including those listed below.

- Capitalisation of future maintainable earnings ("**FME**")
- Discounted future cash flows ("**DCF**")
- Asset based methods ("**Net Assets**")
- Quoted market prices or analysis of traded share prices
- Common industry rule-based methodologies, including revenue-based multiples

6.2 Each of these methods is appropriate in certain circumstances and often more than one approach is applied. The choice of methods depends on several factors such as the nature of the business being valued, the return on the assets employed in the business, the valuation methodologies usually applied to value such businesses and the availability of required information. A detailed description of these methods and when they are appropriate is provided in Appendix B.

Selected Methodology – Altech

Primary Methodology

6.3 Our primary valuation methodology to value the ordinary shares of Altech is a Net Assets based approach on a net realisation basis. Our primary valuation methodology to value the ordinary shares of AEH and AIG is a DCF-based methodology.

6.4 In selecting an appropriate valuation methodology to value the shares of Altech, we considered the following factors:

- Altech has yet to commercialise its projects, is currently loss-making and has minimal revenue generating activities. As such the FME methodology is not considered appropriate.
- Cash flow forecasts are available at the project level for each of the Cerenergy Project and Silumina Anodes Project in accordance with DFS exercises for both projects.
- Trading in Altech's shares represents a low level of liquidity. Therefore, we have considered traded prices as a secondary cross-check methodology only.
- Altech's holds most of its value through its interest in the Cerenergy Project and Silumina Anodes Project. Accordingly, a sum-of-the-parts based Net Asset approach is most appropriate, taking into consideration the estimated fair values of each of its projects.

Secondary Methodology

6.5 We have used a market-based valuation methodology as a secondary cross-check methodology.

Selected Methodology – AEH and AIG

Primary Methodology

6.6 Our primary valuation methodology to value the ordinary shares of AEH and AIG is a DCF-based methodology.

6.7 In selecting an appropriate valuation methodology to value the shares of Altech, we considered the following factors:

- AEH and AIG are both loss-making and do have minimal revenue generating activities. As such the FME methodology is not considered appropriate.
- Cash flow forecasts prepared as part of DFS's are available for each of the Cerenergy Project and Silumina Anodes Project.
- AEH and AIG are both unlisted and do not have a quoted market price.
- AEH and AIG do not hold any material assets or liabilities besides their respective interests in the Cerenergy Project and Silumina Anodes Project. Accordingly, a Net Assets based approach is not considered appropriate.

Secondary Methodology

6.8 We have used a market-based valuation methodology as a secondary cross-check methodology, based on a relative value of the project interests inferred from a market-based valuation of Altech, with other net assets excluded.

7 Valuation of AEH

7.1 AEH's primary asset is a 75% interest in the Cerenergy Project. To assess the value of AEH, we have used a DCF methodology based on a financial model for the Cerenergy Project provided by Altech management.

Financial Model

7.2 Stantons were provided with the Cerenergy Financial Model that was prepared by Altech management as part of a DFS completed in March 2024 involving independent third-party engineering consultants. The Cerenergy Financial Model summarises the forecast cash flows for the Cerenergy Project. The Cerenergy Financial Model was prepared based on the estimated production profile, operating costs and capital expenditure for the life of the project.

7.3 We have assessed the reasonableness of the Cerenergy Financial Model provided to us and the material assumptions that underpin it. We have made certain adjustments to the Cerenergy Financial Model where it was considered appropriate.

7.4 We have not undertaken a review of the cash flow forecasts in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information* and do not express an opinion on the achievability of the forecast. However, nothing has come to our attention as a result of our procedures to suggest that the assumptions on which the Cerenergy Financial Model has been based have not been prepared on a reasonable basis.

Key assumptions

Discount rate

7.5 The discount rate used in the valuation should be the rate of return that the providers of capital would expect on the Cerenergy Project. We have adjusted the discount rate in the model based on the estimated Weighted Average Cost of Capital ("**WACC**") of Altech used as a proxy for the rate to finance the Cerenergy Project.

7.6 On a pre-tax, nominal basis, the WACC is calculated as:

$$WACC = R_d \times \frac{D}{D+E} + R_e \times \frac{E}{D+E}$$

Where:

R_e = the required rate of return on equity capital;

E = the market value of equity capital;

D = the market value of debt capital; and

R_d = the required rate of return on debt capital.

7.7 Based on the above, our assessed values of the WACC for Altech as a proxy for the Cerenergy Project. Further details of the WACC calculation are in Appendix D.

Table 23. WACC Calculation Summary

	Altech
Cost of equity	
Risk-free rate	4.12%
Beta	2.12
Market risk premium	5.00%
Specific risk premium	11.00%
Cost of equity	**25.69%**
Cost of debt (pre-tax)	**15.00%**
Capital structure	
Proportion of equity	50.00%
Proportion of debt	50.00%
WACC (pre-tax)	**20.35%**

Source: Stantons analysis

7.8 The assessed discount rates we applied to the Cerenergy Project valuation was as follows.

Table 24. Cerenergy Project Discount Rates

	Low case	Preferred case	High case
Adopted value	**22%**	**20%**	**18%**

Source: Stantons analysis

DCF Based Valuation of AEH

7.9 Our valuation of AEH is as set out below. We note that the DCF valuation of the Cerenergy Project incorporates working capital and that other net assets are immaterial to the value of AEH. Accordingly, we consider the DCF valuation of the Cerenergy Project to represent the entire value of AEH.

Table 25. DCF Valuation of AEH

	Low	Preferred	High
Discount rate	22%	20%	18%
Value of Cerenergy Project (€)	-	-	9,804,176
A$/€	0.5598	0.5598	0.5598
Value of Cerenergy Project (A$)	**-**	**-**	**17,513,711**
Interest held by AEH	75.00%	75.00%	75.00%
Value of AEH (A$)	**-**	**-**	**13,135,283**
Value held by Altech (A$) (75%)	**-**	**-**	**9,851,463**

Source: Cerenergy Financial Model, Stantons analysis

8 Valuation of AIG

8.1 AIG's primary asset is a 75% interest in the Silumina Anodes Project. To assess the value of AIG, we have used a DCF methodology based on a financial model for the Silumina Anodes Project provided by Altech management.

Financial Model

8.2 Stantons were provided with the Silumina Anodes Financial Model that was prepared by Altech management as part of a DFS completed in December 2023 involving independent third-party engineering consultants. The model summarises the forecast cash flows for the Cerenergy Project. The Silumina Anodes Financial Model was prepared based on the estimated production profile, operating costs and capital expenditure for the life of the project.

8.3 We have assessed the reasonableness of the Silumina Anodes Financial Model provided to us and the material assumptions that underpin it. We have made certain adjustments to the Silumina Anodes Financial Model where it was considered appropriate.

8.4 We have not undertaken a review of the cash flow forecasts in accordance with the Standard on Assurance Engagements ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information* and do not express an opinion on the achievability of the forecast. However, nothing has come to our attention as a result of our procedures to suggest that the assumptions on which the Silumina Anodes Financial Model has been based have not been prepared on a reasonable basis.

Key Assumptions

Discount rate

8.5 We have adjusted the discount rate in the model based on the estimated WACC of Altech as a proxy for the rate to finance the Silumina Anodes Project, as calculated in Section 7 above. The assessed discount rates we applied to the Silumina Anodes Project valuation was as follows.

Table 26. Silumina Anodes Project Discount Rates

	Low case	Preferred case	High case
Adopted value	**22%**	**20%**	**18%**

Source: Stantons analysis

DCF Based Valuation of AIG

8.6 Our valuation of AIG is as set out below. We note that the DCF valuation of the Silumina Anodes Project incorporates working capital and that other net assets are immaterial to the value of AIG. Accordingly, we consider the DCF valuation of the Silumina Anodes Project to represent the entire value of AIG.

Table 27. DCF Valuation of AIG

	Low	Preferred	High
Discount rate	22%	20%	18%
Value of Silumina Anodes Project	206,404,134	247,203,149	297,542,455
A$/€	0.5598	0.5598	0.5598
Value of Silumina Anodes Project (A$)	**368,710,493**	**441,591,905**	**531,515,640**
Interest held by AIG	100%	100%	100%
Value of AIG (A$)	**368,710,493**	**441,591,905**	**531,515,640**
Value held by Altech (A$) (75%)	**276,532,869**	**331,193,929**	**398,636,730**

Source: Silumina Anodes Financial Model, Stantons Analysis

9 Pre-Transaction Valuation of Altech Shares

Altech Pre-Transaction Net Assets Valuation

9.1 To assess the value of an Altech ordinary share prior to the Transaction, we used a Net Assets approach on a going concern-based approach.

9.2 In relation to our approach, we note the following:

- The Net Assets approach assumes a 100% control interest in the Company;
- We have included the values of Altech's interests in AEH and AIG based on the DCF-based valuations presented in Sections 7 and 8;
- Other net assets are based on the adjusted values in Table 12 as follows[6]:

Table 28. Altech Other Net Assets

Asset/liability	Value (A$)
Cash and cash equivalents	2,150,628
Trade and other receivables	1,820,887
Property, plant & equipment[7]	4,825,037
Exploration and evaluation expenditure	1,441,981
Other financial assets	2,657,038
Trade and other payables	(3,824,313)
Provisions	(409,807)
Loans payable	(11,953,547)
Total other net assets	**(3,292,096)**

Source: Stantons analysis

- The values of existing options and performance rights have been calculated using Black Scholes methodology. Performance rights with vesting conditions related to the Malaysian HPA project were excluded.

9.3 Our pre-Transaction Net Assets based valuation of Altech shares, as at the valuation date of 27 June 2025, is set out below.

Table 29. Altech Pre-Transaction Net Assets Valuation

	Ref	Low	Preferred	High
75% interest in AEH (A$)	Table 25	-	-	9,851,463
75% interest in AIG (A$)	Table 27	276,532,869	331,193,929	398,636,730
Other net assets (A$)	Table 28	(3,292,096)	(3,292,096)	(3,292,096)
Pre-Transaction net assets (A$)		**273,240,774**	**327,901,833**	**405,196,096**
Less: options value (A$)	Table 31	(32,225,491)	(32,225,491)	(32,225,491)
Pre-Transaction ordinary share value (A$)		**241,015,282**	**295,676,342**	**372,970,605**
Number of ordinary shares outstanding (A$)	Table 7	2,002,723,406	2,002,723,406	2,002,723,406
Value per share (A$)		**0.1203**	**0.1476**	**0.1862**

Source: Stantons analysis

9.4 Accordingly, we consider the value of an Altech ordinary share pre-Transaction, on a control basis, to be between A$0.1203 and A$0.1862, with a preferred value of A$0.1476.

[6] We have excluded right-of-use assets and lease liabilities for the valuation purpose
[7] Excluding the Cerenergy Project and Silumina Anodes Project

Options and Performance Rights Valuations

9.5 We derived a value for the existing options and performance rights with regard to *AASB 2: Share Based Payments*.

9.6 We have excluded the values of the performance rights with vesting conditions related to the HPA project, as the Company intends to sell this project and the performance rights are not expected to vest. We have included the value of all other tranches of performance rights.

9.7 We used the Black Scholes option methodology. The input assumptions for our Black Scholes model valuations were as follows:

- Valuation date of 27 June 2025.
- Exercise prices and expiry dates as detailed in Table 15.
- An underlying spot price consistent with the adopted Net Asset based value of a control interest Altech share in Table 29, though we note the circularity between the calculation of the Net Asset value and the option valuation.
- The Australian government bond rate for the nearest available period commensurate with the remaining term of the options was used as a proxy for the risk-free rate. We used the 1-year (on a continuously compounded basis), as at 27 June 2025, which was 3.266%.
- An expected volatility factor of 80% based on the average historical annualised volatility of Altech.
- No dividends are to be paid or announced during the term.
- We note that some of the existing options are listed, however, we have followed a fundamental Black Scholes approach rather than listed prices due to the low liquidity of the listed options.

9.8 Set out below is a summary of the Black Scholes valuations of the existing options calculated using the above inputs.

Table 30. Options Black Scholes Valuation

Option	Exercise price (A$)	Expiry date	Underlying price (A$)	Volatility (%)	Risk-free rate (%)	Black Scholes value (A$)
Listed options	$0.06	31 Dec 2025	0.1476	80	3.266%	0.0875
Unlisted options	$0.08	30 Apr 2025	0.1476	80	3.266%	0.0742
Performance rights	nil	various	0.1476	80	3.266%	0.1476

Source: NoM, Stantons analysis

9.9 Accordingly, the Black Scholes methodology determined value of the Options is as below.

Table 31. Options and Performance Rights Value

Option	Number	Value per option (A$)	Total value (A$)
Listed options	186,140,219	0.0875	16,281,188
Unlisted options	28,622,799	0.0742	2,124,319
Performance rights[8]	93,600,000	0.1476	13,819,984
Total	**308,363,018**		**32,225,491**

Source: Stantons analysis

[8] Excludes the tranche 1a, 1b and 4 performance rights which vest on conditions relating to the HPA project, which is intended to be sold

Secondary Methodology – Market Based

9.10 As a secondary cross-check methodology, we considered the quoted market prices of Altech shares on ASX.

Table 32. Altech Pre-Transaction Valuation – Secondary Methodology

	Ref	Low	Preferred	High
Market Value (A$) (minority interest)		0.0330	0.0383	0.0460
Control premium (%)		30.0%	30.0%	30.0%
Value per ordinary share (A$) (control)		**0.0429**	**0.0498**	**0.0598**

Source: Stantons analysis

9.11 Generally, the market is a fair indicator of what a share is worth, however for a quoted market price to be a reliable indicator of a company's value, the company's share must trade in a "liquid and active" market. We consider that a liquid and active market would typically be characterised by:

- regular trading in the company's securities;
- trading of at least 1% of a company's securities on a weekly basis;
- the spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of the company; and
- no significant but unexplained movements in the share price.

9.12 Altech's shares have historically demonstrated trading volumes below 1% per week, with 37.98% of the outstanding shares being traded in the twelve-month period to 27 June 2025 (refer to Table 15).

9.13 Other key considerations for assessing traded prices of Altech shares include:

- Altech shares typically demonstrate a relatively high bid-ask spread, due to the ASX minimum tick size of $0.001 representing a large percentage of the current market price.
- Pre-commercialisation company valuations are typically highly subjective and therefore investors may hold a wide range of opinions on the value of the shares.
- Trading in early-stage company shares such as Altech may be driven by technical chartist traders, market sentiment, the involvement of key individuals and/or expectation/speculation of corporate activity.
- Altech is not covered by any major research analysts.
- Altech is not included in any indices.

9.14 Due to the relatively low levels of liquidity of trading in Altech shares, we have considered the market-based methodology as a secondary cross-check methodology only.

Control Premium

9.15 We note the quoted market price valuation assumes a minority interest in the Company. Accordingly, we applied a control premium to the market-based value.

9.16 Generally, historical evidence of control premiums offered on takeovers for small cap companies are in the range of 20% to 40%[9] (although outcomes outside this are not uncommon) with 30% a commonly accepted benchmark where a 100% interest is being acquired. We have considered the factors in Appendix C and concluded that a control premium of 30% is appropriate to apply in this circumstance.

[9] "*Control Premium Study 2021*", RSM

Valuation Summary

9.17 Based on the above analysis, our valuation of an Altech share on a control basis is as follows.

Table 33. Valuation Summary

	Low value (A$)	Preferred value (A$)	High value (A$)
Net Assets valuation	0.1203	0.1476	0.1862
Market valuation	0.0429	0.0498	0.0598
Adopted value	**0.1203**	**0.1476**	**0.1862**

Source: Stantons analysis

9.18 Our adopted control interest value of an Altech share is between A$0.1203 and A$0.1862, with a preferred value of A$0.1476.

10 Post-Transaction Valuation of Altech Shares

Altech Net Assets Post-Transaction Valuation

10.1 We assessed the value of an Altech ordinary share post-Transaction using a Net Asset based approach. We note that key assumptions of the valuation include:

- the Net Assets approach assumes a 100% control interest in the Company, and therefore a discount for minority interest was applied (refer to paragraph 10.3);
- the 25% interest to be acquired in AEH is based on the DCF valuation in Section 7, as follows;

Table 34. Interest in AEH to be Acquired

	Low	Preferred	High
Value of AEH (A$)	**-**	**-**	**13,135,283**
Interest held by AAM	25%	25%	25%
Value to be acquired by Altech (A$)	**-**	**-**	**3,283,821**

Source: Cerenergy Financial Model, Stantons analysis

- the 25% interest to be acquired in AIG is based on the DCF valuation in Section 8, as follows;

Table 35. Interest in AIG to be Acquired

	Low	Preferred	High
Value of AIG (A$)	**368,710,493**	**441,591,905**	**531,515,640**
Interest held by AAM	25%	25%	25%
Value to be acquired by Altech (A$)	**92,177,623**	**110,397,976**	**132,878,910**

Source: Silumina Anodes Financial Model, Stantons analysis

- the loan amounts and project values are converted from Euros to Australian Dollars at the quoted RBA exchange rate of 0.5598 as at 27 June 2025.

Discount for Minority Interest

10.2 We note a Net Asset valuation assumes a 100% interest in the company. As the interest of the Non-Associated Shareholders in Altech post-Transaction will represent a minority interest, we applied a discount to the control value.

10.3 Generally, historical evidence of control premiums offered on takeovers for small cap companies are in the range of 20% to 40%[10] (although outcomes outside this are not uncommon) with 30% a commonly accepted benchmark where a 100% interest is being acquired. We have considered the factors in Appendix C and concluded that a control premium of 30% is appropriate to apply in this circumstance. Accordingly, we applied a minority interest discount of 23.1% (being the inverse of a 30% control premium) to the value of a Altech post-Transaction share.

[10] "*Control Premium Study 2021*", RSM

10.4 Accordingly, our post-Transaction valuation of an Altech ordinary share is as set out below.

Table 36. Altech Post-Transaction Valuation

	Ref	Low	Preferred	High
Pre-Transaction value (control) (A$)	Table 29	0.1203	0.1476	0.1862
Number of shares on issue pre-Transaction	Table 7	2,002,723,406	2,002,723,406	2,002,723,406
Total pre-Transaction value (A$)		**241,015,282**	**295,676,342**	**372,970,605**
Transaction				
25% interest in AEH acquired (A$)	Table 34	-	-	3,283,821
25% interest in AIG acquired (A$)	Table 35	92,177,623	110,397,976	132,878,910
Loan amounts (A$)		11,953,547	11,953,547	11,953,547
Post-Transaction net assets (A$)		**345,146,452**	**418,027,865**	**521,086,883**
Number of ordinary shares on issue post-Transaction	Table 7	2,535,090,248	2,535,090,248	2,535,090,248
Value per ordinary share (A$) (control basis)		**0.1361**	**0.1649**	**0.2055**
Minority interest discount (%)	10.3	23.1%	23.1%	23.1%
Value per ordinary share (A$) (minority interest)		**0.1047**	**0.1268**	**0.1581**

Source: Stantons analysis

10.5 We assessed the fair value of an Altech post-Transaction ordinary share on a minority interest basis to be between $0.1047 and $0.1581, with a preferred value of $0.1268.

Altech Post-Transaction Secondary Market Based Valuation

10.6 As a secondary cross-check methodology, we calculated the post-Transaction value of an Altech share based on a market prices-based methodology. We note that key assumptions of the valuation include:

- The 25% interests in AEH and AIG are based on a relative market value of Altech's 75% interest, as set out in 10.7 below.

Table 37. Altech Post-Transaction Market Based Valuation

	Ref	Low	Preferred	High
Pre-Transaction value (A$) (control)	Table 32	0.0429	0.0498	0.0598
Number of shares on issue pre-Transaction	Table 7	2,002,723,406	2,002,723,406	2,002,723,406
Total pre-Transaction value (A$)		**85,916,834**	**99,786,351**	**119,762,860**
Transaction				
25% interest in AEH and AIG acquired (A$)	Table 38	27,541,579	32,164,752	38,823,588
Loan amounts (A$)		11,953,547	11,953,547	11,953,547
Post-Transaction net assets (A$)		**125,411,960**	**143,904,650**	**170,539,994**
Number of ordinary shares on issue post-Transaction	Table 7	2,535,090,248	2,535,090,248	2,535,090,248
Value per ordinary share (A$) (control basis)		**0.0495**	**0.0568**	**0.0673**
Minority interest discount (%)	10.3	23.1%	23.1%	23.1%
Value per ordinary share (A$) (minority interest)		**0.0381**	**0.0437**	**0.0517**

Source: Stantons analysis

Valuation of interests in AEH and AIG

10.7 As a cross-check, we calculated the implied value of an interest in AEH and AIG based on Altech's traded market price valuations. Under this approach we calculated the total value of Altech's equity based on our assessed market price valuation and removed the net asset value of all assets and liabilities held by Altech that are not directly associated with the Cerenergy Project and Silumina Anodes Project. The remaining value is the implied value that the market has attributed to Altech's interests in the 2 projects. We note that under this approach it is not possible to determine the value attributed to each individual project. Using the value attributed to the 75% interest held by Altech, we calculated the value of the remaining 25% held by AAM.

Table 38. Valuations of Interests in AEH and AIG

	Low	Preferred	High
Altech value per share (A$)	0.0429	0.0498	0.0598
Number of Altech shares	2,002,723,406	2,002,723,406	2,002,723,406
Total equity value of Altech (A$)	**85,916,834**	**99,786,351**	**119,762,860**
Less: Altech other net assets (A$)	(3,292,096)	(3,292,096)	(3,292,096)
Implied value of 75% interest in AEH and AIG (A$)	**82,624,738**	**96,494,255**	**116,470,764**
Implied value of 25% interest in AEH and AIG (A$)	**27,541,579**	**32,164,752**	**38,823,588**

Source: Stantons analysis

11 Fairness Evaluation

11.1 In determining the fairness and reasonableness of the Transaction, including Resolutions 1 and 2, we have had regard to the guidelines set out by ASIC's RG111.

11.2 As required by RG111, we consider the Transaction is fair if:

- the value of an Altech ordinary share prior to the Transaction, on a control basis, is less than;
- the value of an Altech ordinary share after the Transaction, on a minority interest basis.

11.3 Our assessment of the fairness of the Transaction is set out below.

Table 39. Fairness Assessment

	Ref	Low	Preferred	High
Pre-Transaction Altech share value (control) (A$)	Table 29	0.1203	0.1476	0.1862
Post-Transaction Altech share value (minority) (A$)	Table 36	0.1047	0.1268	0.1581
Opinion		**Not Fair**	**Not Fair**	**Not Fair**

Source: Stantons analysis

11.4 Under our market-based cross-check methodology, the assessment of the Transaction is as follows.

Table 40. Secondary Valuation Methodology Cross-Check

	Ref	Low	Preferred	High
Pre-Transaction Altech share value (control) (A$)	Table 32	0.0429	0.0498	0.0598
Post-Transaction Altech share value (minority) (A$)	Table 37	0.0381	0.0437	0.0517
Opinion		**Not Fair**	**Not Fair**	**Not Fair**

Source: Stantons analysis

11.5 As the value of an Altech ordinary share post-Transaction on a minority interest basis is greater than the value pre-Transaction on a control basis in all scenarios, the Transaction, including Resolutions 1 and 2 of the NoM, is considered to be **NOT FAIR** to the Non-Associated Shareholders of Altech pursuant to s611 of TCA and ASX Listing Rule 10.1.

12 Reasonableness Evaluation

12.1 Under RG111, a transaction is considered "reasonable" if it is "fair", or if despite not being "fair" there are sufficient reasons to accept the proposal.

12.2 We have considered the following advantages, disadvantages and other factors in assessing the reasonableness of the Transaction.

Advantages

Simplifies ownership structure of the Cerenergy and Silumina Anodes Projects, which may assist in raising funds to finance the projects

12.3 Simplifying the ownership structure of the Cerenergy Project and Silumina Anodes Project will reduce the complexity of the capital structure, making it potentially more attractive to debt and equity financers. We note that AAM has had difficulties in recent funding attempts and has noted that potential German investors had uncertainty around AAM's ownership structure.

Increases the Company's direct interest in the projects

12.4 As a result of the Transaction, the Company will increase its direct interest in the Cerenergy Project by 18.75% and in the Silumina Anodes Project by 25%.

Improve Efficiency in Commercialising Projects

12.5 Reducing complexity in the ownership structure may offer operational benefits in improved efficiency and governance of the projects.

Disadvantages

The Transaction is considered not fair

12.6 As detailed in Section 11, the Transaction is not fair to Non-Associated Shareholders.

Dilution of Non-Associated Shareholders

12.7 If the transaction is approved, the collective interest of the Non-Associated Shareholders would be diluted to 65.98% of the ordinary shares in Altech.

Other Considerations

Company is receiving a control premium

12.8 We note that RG 111 requires the fairness consideration to assess the fairness of a transaction assuming 100% control in the pre-transaction scenario and a minority interest in the post-transaction scenario. We note that the Company is receiving a control premium, as the control basis post-Transaction values in the low, preferred and high cases are above the pre-Transaction values. However, the control premium is not considered sufficient based on standard control premiums applied to other transactions.

Reasonableness Opinion

12.9 On balance, we consider that the advantages outweigh the disadvantages and therefore there are sufficient reasons for Non-Associated Shareholders to approve the Transaction. Accordingly, we consider the Transaction to be **REASONABLE** to the Non-Associated Shareholders of Altech.

13 Conclusion

Opinions

13.1 The Recapitalisation Proposal, including the proposal outlined in Resolutions 1 and 2 of the NoM that allows for the issue of up to 532,366,842 is considered **NOT FAIR** but **REASONABLE** to the Non-Associated Shareholders of Altech as at the date of this report.

Shareholders Decision

13.2 Stantons was engaged to prepare an IER setting out whether in its opinion the proposal to allow the Transaction is fair and reasonable and to state reasons for that opinion. Stantons have not been engaged to provide a recommendation to shareholders as to whether to approve the Transaction.

13.3 The decision whether to approve Resolutions 1 and 2 is a matter for individual shareholders based on each shareholder's views as to the value, their expectations about future market conditions and their particular circumstances, including risk profile, liquidity preference, investment strategy, portfolio structure, and tax position. If in any doubt as to the action they should take in relation to the proposed Resolutions 1 and 2, shareholders should consult their own professional advisor.

13.4 Similarly, it is a matter for individual shareholders as the whether to buy, hold or sell shares in Altech. This is an investment decision upon which Stantons does not offer an opinion and is independent on whether to accept the proposal under Resolutions 1 and 2. Shareholders should consult their own professional advisor in this regard.

13.5 Non-Associated Shareholders should note that we have not considered the tax circumstances of individual shareholders. Shareholders should consult their tax advisor in this regard.

Source Information

13.6 In making our assessment as to whether the proposed Transaction, including the terms under Resolutions 1 and 2, is fair and reasonable to Non-Associated Shareholders, we have reviewed published available information and other unpublished information of the Company that is relevant to the current circumstances. Statements and opinions contained in this report are given in good faith, but in the preparation of this report, we have relied in part on information provided by the Company.

13.7 Information we have received includes, but is not limited to:

- Drafts of the NoM and ES to shareholders of Altech to 2 July 2025
- Altech Annual Reports for the financial years ended 30 June 2023 and 30 June 2024
- Altech Interim Report for the half year ended 31 December 2024
- AAM Annual Reports for the financial years ended 31 December 2023 and 31 December 2024
- ASX announcements made by the Company to 2 July 2025
- Definitive Feasibility Study for the Cerenergy Project dated December 2023
- The Cerenergy Financial Model
- Definitive Feasibility Study for the Silumina Anodes Project dated March 2024
- The Silumina Anodes Financial Model
- Deutsche Bourse announcements made by AAM to 2 July 2025

13.8 Our report includes the appendices, our declarations, and our Financial Services Guide.

Yours Faithfully,

STANTONS CORPORATE FINANCE PTY LTD

James Turnbull, CFA
Authorised Representative

APPENDIX A

GLOSSARY

Term	Definition
AAM	Altech Advanced Materials AG
AEH	Altech Energy Holdings GmbH
AFCA	Australian Financial Complaints Authority
AIG	Altech Industries Germany GmbH
Altech	Altech Batteries Limited
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
ATC	Altech Batteries Limited
ATO	Australian Taxation Office
Acquisition Agreement	The binding term sheet between Altech and AAM
Cerenergy Financial Model	The financial model for the Cerenergy Project prepared for the purpose of a DFS
Cerenergy Project	The Cerenergy sodium chloride solid state batteries project in Saxony, Germany
Company	Altech Batteries Limited
Consideration Shares	532,366,842 ordinary shares in Altech to be issued to AAM under the Transaction
DB	Deutsche Balaton AG
DCF	Discounted future cash flows valuation methodology
DOCA	Deed of Company Arrangement
DFS	Definitive Feasibility Study
Endeavor	Endeavor DNA Inc.
ES	Explanatory Statement
FME	Capitalisation of future maintainable earnings valuation methodology
IER	Independent Expert's Report
Meeting	The meeting at which shareholders will vote on Resolutions 1 and 2 of the NoM
Net Assets	Asset based valuation methodologies
NoM	Notice of Meeting
Non-Associated Shareholders	The Altech shareholders who are not excluded from voting on the proposal contemplated under Resolutions 1 and 2
RG74	ASIC Regulatory Guide 74: Acquisitions Approved by Members
RG111	ASIC Regulatory Guide 111: Content of Expert Reports
s606	Section 606 of the Corporations Act
s611	Section 611 of the Corporations Act
Silumina Anodes Financial Model	The financial model for the Silumina Anodes Project prepared for the purpose of a DFS
Silumina Anodes Project	The silumina anodes battery material coating technology project in Saxony, Germany
Stantons	Stantons Corporate Finance Pty Ltd
TCA	The Corporations Act 2001 Cth
Transaction	Altech's acquisition of a 25% interest in each of AEH and AIG, rights to loan amounts of €6,585,547 and issue of the Consideration Shares to AAM
VWAP	Volume weighted average price

APPENDIX B

VALUATION METHODOLOGIES

Introduction

In preparing this report we have considered several valuation approaches and methods. These approaches and methods are consistent with:

- Market practice
- The methods recommended by the Australian Securities and Investments Commission in Regulatory Guide 111
- The International Valuation Standards
- The International Glossary of Business Valuation Terms

A valuation approach is a general way of determining an estimate of value of a business, business ownership interest, security or intangible asset. Within each valuation approach there are a number of specific valuation methods, which are specific ways to determine an estimate of value.

There are three general valuation approaches as follows:

i) Income Approaches

Provides an indication of value by converting future cash flows to a single present value. Examples of an income approach are:

- The discounted cash flow method ("**DCF**")
- The capitalisation of future maintainable earnings method (**"FME**")

ii) Asset/Cost Approaches

Provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or construction.

iii) Market Approaches

Provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available. The main examples of the market approach are:

- Analysis of recent trading
- Industry rules of thumb

1. Discounted Cash Flow Method

Of the various methods noted above, the DCF method has the strongest theoretical basis. The DCF method estimates the value of a business by discounting expected future cash flows to a present value using an appropriate discount rate. A DCF valuation requires:

- A forecast of expected future cash flows
- An appropriate discount rate
- An estimate of terminal value

It is necessary to project cash flows over a suitable period (generally regarded as being at least five years) to arrive at the net cash flow in each period. For a finite life project or asset this would need to be done for the life of the project. This can be a difficult exercise requiring a significant number of assumptions such as revenue and cost drivers, capital expenditure requirements, working capital movements and taxation.

The discount rate used represents the risk of achieving the projected future cash flows and the time value of money. The projected future cash flows are then valued in current day terms using the discount rate selected.

A terminal value reflects the value of cash flows that will arise beyond the explicit forecast period. This is commonly estimated using either a constant growth assumption or a multiple of earnings (as described under FME below). This terminal value is then discounted to current day terms and added to the net present value of the forecast cash flows to provide an estimate for the overall value of the business.

The DCF method is often sensitive to a number of key assumptions such as revenue growth, future margins, capital investment, terminal growth and the discount rate. All these assumptions can be highly subjective, sometimes leading to a valuation conclusion presented that is too wide to be useful.

A DCF approach is usually preferred when valuing:

- Early-stage companies or projects
- Limited life assets such as a mine or toll concession
- Companies where significant growth is expected in future cash flows
- Projects with volatile earnings

It may also be preferred if other methods are not suitable, for example if there is a lack of reliable evidence to support an FME approach. However, it may not be appropriate if:

- Reliable forecasts of cash flow are not available and cannot be determined
- There is an inadequate return on investment, in which case a higher value may be realised by liquidating the assets than through continuing the business

A DCF approach is not recommended when assets are expected to earn below the cost of capital. Also, when valuing a minority interest in a company, care needs to be taken if a DCF based on earnings for the whole business is prepared, as the holder of a minority interest would not have access to, or control of, those cash flows.

2. Capitalisation of Future Maintainable Earnings Method

The FME method is a commonly used valuation methodology that involves determining a future maintainable earnings figure for a business and multiplying that figure by an appropriate capitalisation multiple. This methodology is generally considered a short form of a DCF, where a single representative earnings figure is capitalised, rather than a stream of individual cash flows being discounted. The FME methodology involves the determination of:

- A level of future maintainable earnings
- An appropriate capitalisation rate or multiple

Any of the following measures of earnings can be used:

Revenue – mostly used for early stage, fast growing companies that do not make a positive EBITDA or as a cross-check of a valuation conclusion derived using another method.

EBITDA – most appropriate where depreciation distorts earnings, for example in a company that has a significant level of depreciating assets but little ongoing capital expenditure requirement.

EBITA – in most cases EBITA will be more reliable than EBITDA as it takes account of the capital intensity of the business

EBIT – whilst commonly used in practice, multiples of EBITA are usually more reliable as they remove the impact of amortisation which is a non-cash accounting entry that does not reflect a need for future capital investment (unlike depreciation)

NPAT – relevant in valuing businesses where interest is a major part of the overall earnings of the group (e.g., financial services businesses such as banks).

Multiples of EBITDA, EBITA and EBIT are commonly used to value whole businesses for acquisition purposes where gearing is in the control of the acquirer. In contrast, NPAT (or P/E) multiples are often used for valuing minority interests in a company as the investor has no control over the level of debt.

A normalised level of maintainable earnings needs to be determined for the selected earnings measure. This excludes the impact of any gains or losses that are not expected to reoccur and allows for the full year impact of any changes (such as acquisitions or disposals) made part way through a given financial year.

The selected multiple to apply to maintainable earnings reflects expectations about future growth, risk and the time value of money captured in a single number. Multiples can be derived from three main sources.

- Using the comparable trading multiples, market multiples are derived from the trading prices of stocks of companies that are engaged in the same or similar lines of business that are actively traded on a free and open market, such as the ASX
- The comparable transactions method is a method whereby multiples are derived from transactions of significant interests in companies engaged in the same or similar lines of business.
- It is also possible to build a multiple from first principles based on an appropriate discount rate and growth expectations.

It is important to use the same earnings periods (historical, current or forecast) for calculating comparable multiples, as the period used for determining FME. For example, a multiple based on historical earnings of comparable companies should be applied to historical earnings of the subject of the valuation and not to forecast earnings.

The capitalisation of earnings method is widely used in practice. It is particularly appropriate for valuing companies with a relatively stable historical earnings pattern which is expected to continue. The method is less appropriate for valuing companies or assets if:

- There are no (or very few) suitable alternative listed companies or transaction benchmarks for comparison
- The asset has a limited life
- Future earnings or cash flows are expected to be volatile
- There are negative earnings, or the earnings of a business are insufficient to justify a value exceeding the underlying net assets
- Working capital requirements are not expected to remain stable

3. Asset or Cost Approaches

The asset approach to value assumes that the current value of all assets (tangible and intangible) less the current value of the liabilities should equate to the current value of the entity. Specifically, an asset approach is defined as a general way of determining a value indication of a business, business ownership interest, or security using one or more methods based on the value of the assets net of liabilities. A cost approach is defined as a general way of determining a value indication of an individual asset by quantifying the amount of money required to replace the future service capability of that asset.

The asset-based valuation methods estimate the value of a company based on the realisable value of its net assets, less its liabilities. There are a number of asset-based methods including:

- Orderly realisation
- Forced liquidation
- Net assets on a going concern

The orderly realisation of assets method estimates fair market value by determining the amounts that would be distributed to shareholders, after payments of all liabilities including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner. The forced liquidation method is similar to the orderly realisation of assets except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the company may not be contemplated, these methods in their strictest form may not necessarily be appropriate. The net assets on a going concern basis method estimates the fair market values of the net assets of a company but does not take account of realisation costs.

The asset/cost approach is generally used when the value of the business' assets exceeds the present value of the cash flows expected to be derived from the ongoing business operations, or the nature of the business is to hold or invest in assets. It is important to note that the asset approach may still be the relevant approach even if an asset is making a profit. If an asset is making less than the economic rate of return and there is no realistic prospect of it making an economic return in the foreseeable future, an asset/cost approach will be the most appropriate method.

An asset-based approach is a suitable method of valuation when:

- An enterprise is loss making and not expected to become profitable in the foreseeable future
- Assets are employed profitably but earn less than the cost of capital
- A significant portion of the company's assets are composed of liquid assets or other investments (such as marketable securities and real estate investments)
- It is relatively easy to enter the industry (e.g., small machine shops and retail establishments)

Asset based methods are not appropriate if:

- The ownership interest being valued is not a controlling interest, has no ability to cause the sale of the company's assets and the major holders are not planning to sell the company's assets
- A business has (or is expected to have) an adequate return on capital, such that the value of its future income stream exceeds the value of its assets

An asset-based approach is often considered as a floor value for a business assuming the business has the option to realise all its assets and liabilities.

4. Analysis of Recent Trading

The most recent share trading history provides evidence of the fair market value of the shares in a company where they are publicly traded in an informed and liquid market. There should also be some similarity between the size of the parcel of shares being valued and those being traded. Where a company's shares are publicly traded then an analysis of recent trading prices should be considered, at least as a cross-check to other valuation methods.

5. Industry Specific Rule of Thumb

Industry specific rules of thumb are used in certain industries. These methods typically involve a multiple of an operating figure such as traffic for internet businesses or number of beds for a nursing home. These methods are typically fairly crude and therefore only appropriate as a cross-check to a valuation determined by an alternative method.

Selecting an Appropriate Valuation Approach and Method

The choice of an appropriate valuation approach and methodology is subjective and depends on several factors such as whether a methodology is prescribed, the company's historical and projected financial performance, stage of maturity, the nature of the company's operations and availability of information. The selection of an appropriate valuation method should be guided by the actual practices adopted by potential acquirers of the company involved and the information available.

APPENDIX C

CONTROL PREMIUM

Background

The difference between a control value and a minority value is described as a control premium. The opposite of a control premium is a minority discount (also known as a discount for lack of control). A control premium is said to exist because the holder of a controlling stake has several rights that a minority holder does not enjoy (subject to shareholders agreements and other legal constraints), including to:

- Appoint or change operational management
- Appoint or change members of the board
- Determine management compensation
- Determine owner's remuneration, including remuneration to related party employees
- Determine the size and timing of dividends
- Control the dissemination of information about the company
- Set the strategic focus of the organisation, including acquisitions, divestments, and restructuring
- Set the financial structure of the company (debt / equity mix)
- Block any or all the above actions

The most common approach to quantifying a control premium is to analyse the size of premiums implied from prices paid in corporate takeovers. Another method is the comparison between prices of voting and non-voting shares in the same company. We note that the size of the control premium should generally be an outcome of a valuation and not an input into one, as there is significant judgement involved.

Based on historical takeover premia that have been paid in Australian acquisitions in the period 2005-2015, the majority of takeovers have included a premium in the range of 20-50%, with 30% being the most commonly occurring. This is in line with standard industry practice, which tends to use a 30% premium for control as a standard.

Intermediate Levels of Ownership

There are several intermediate levels of ownership between a portfolio interest and 100% ownership. Different levels of ownership/strategic stakes will confer different degrees of control and rights as shown below.

- 90% - can compulsorily purchase remaining shares if certain conditions are satisfied
- 75% - power to pass special resolutions
- <50% - gives control depending on the structure of other interests (but not absolute control)
- <25% - ability to block a special resolution
- <20% - power to elect directors, generally gives significant influence, depending on other shareholding blocks
- < 20% generally has only limited influence

Conceptually, the value of each of these interests lies somewhere between the portfolio value (liquid minority value) and the value of a 100% interest (control value). Each of these levels confers different degrees of control and therefore different levels of control premium or minority discount.

APPENDIX D

WACC CALCULATION

Required Rate of Return on Equity Capital

A.1. We assessed the required rate of return on equity capital using the Capital Asset Pricing Model ("**CAPM**"), a model which describes the relationship between risk and expected returns and is a widely accepted practice.

A.2. Under the CAPM, the inherent risk in investments is broken into systematic and unsystematic risk. Systematic risk is the variability in the returns on an investment that are a result of movements in the general market, while unsystematic risks are those risks that are specific to an individual investment. Under the assumptions of the CAPM, unsystematic risk can be avoided by holding a diversified portfolio of risky and risk-free investments, while systematic risk is impacted by economy-wide factors and cannot be reduced through diversification. Therefore, an investor will only be compensated for systematic risk, by receiving a risk premium on the expected return. The compensation depends on the extent to which the returns of the investment are correlated to the returns on the market as a whole.

A.3. The systematic risk of an investment is measured by its beta, a measure of the covariance of the expected returns of an investment with a hypothetical market portfolio (i.e., a portfolio comprised of all possible investments in the market).

A.4. A risk-free investment has a beta of zero and the market portfolio has a beta of one. The greater the systematic risk of an investment, the higher the investment's beta. In other words, the beta of a company is a measure of its risk relative to the market.

A.5. The CAPM assumes that the rate of return required by an investor in respect of an equity investment will be a combination of the risk-free rate of return and a premium for systematic risk, which is measured by multiplying the beta of an investment by the expected return on the market portfolio in excess of the risk-free rate, known as the market risk premium.

A.6. Under the CAPM, the required rate of return on equity (R_e) is estimated as follows:

$$\boldsymbol{R_e = R_f + \beta_e(R_m - R_f)}$$

Where:

R_f = risk free rate

β_e = expected equity beta of the investment

$(R_m - R_f)$ = market risk premium

Risk-Free Rate

A.7. The yield on government bonds (in an appropriate jurisdiction) is commonly used as a proxy for the risk-free rate. The Australian government 10-year bond yield as at 27 June 2025 was 4.12%, which we have adopted as the risk-free rate for our WACC calculation.

Market Risk Premium

A.8. The market risk premium represents the additional return an investor expects to receive to compensate for additional risk associated with investing in equities as opposed to risk-free assets. However, given the inherent high volatility of realised rates of return, especially for equities, the market risk premium can only be meaningfully estimated over long periods of time. For the purpose of calculating the WACC for the Cerenergy Project we elected to use a market risk premium of 5.00% based on estimates of the Australian equity market risk premium as at 31 March 2025[11] (being the most recently available estimate).

[11] *Update on market discount rates as at 31 March 2025,* Leadenhall Valuation Services Pty Ltd

Beta

A.9. Beta measures the expected relative risk of the equity in a company. The choice of beta requires judgement and necessarily involves subjective assessment as it is subject to measurement issues and a high degree of variation.

A.10. An equity beta includes the effect of gearing on equity returns and reflects the riskiness of returns to equity holders. However, an asset beta excludes the impact of gearing and reflects the riskiness of returns on the asset, rather than returns to equity holders. Asset betas can be compared across asset classes independent of the impact of the financial structure adopted by the owners of the business.

A.11. Equity betas are typically calculated from historical data, which is used as a proxy for future expectations on the assumption a similar level of relative risk will continue. Therefore, there is no right equity beta and it is important not to simply apply historical equity betas when calculating the cost of equity.

A.12. The asset betas of the selected companies are calculated by adjusting the equity betas for the effect of gearing to obtain an estimate of the business risk of the comparable companies, a process commonly referred as de-gearing. We recalculated the equity beta based on an assumed 'optimal' capital structure deemed. This is a subjective exercise, which carries a significant possibility of estimation error.

A.13. We used the following formula to undertake the de-gearing exercise:

$$\boldsymbol{\beta_a = \frac{\beta_e}{[1 + \frac{D}{E}]}}$$

Where:

B_e = Equity beta

B_a = Asset beta

D = Company historical average debt

E = Company historical average equity

A.14. To regear the unlevered beta, an expected industry debt to equity ratio was applied to the following formula:

$$\boldsymbol{\beta_e = \beta_a[1 + \frac{D_t}{E_t}]}$$

Where:

B_e = Equity beta

B_a = Asset beta

D_t = Industry target debt level

E_t = Industry target equity level

A.15. The betas are de-geared using each individual company's average debt to equity level over the 5-year period in which the betas were observed and then re-geared based on an industry target debt to equity ratio of 70% debt to 30% equity (i.e. debt/equity ratio of approximately 2.33), based on the companies proposed financing structure.

A.16. For our beta calculations, we have considered the observed betas (equity betas) of listed companies with operations in battery manufacturing, as recorded in the S&P Capital IQ database. The betas are calculated based on 5 years of data to 27 June 2025.

13.9 We consider the average beta of the comparable companies to be a reasonable measure of the industry beta and have used these accordingly.

13.10 The betas of comparable companies to Altech set out below.

Table 41. Altech Comparable Company Betas

Company	Market cap (A$m)	Levered beta	D/E	Unlevered beta	Regeared beta
PPK Group Limited (ASX:PPK)	28.98	1.12	0.11	1.01	3.37
UPERGY Société Anonyme (ENXTPA:ALUPG)	16.28	0.30	0.51	0.20	0.65
Aspen Aerogels, Inc. (NYSE:ASPN)	739.56	2.68	0.28	2.09	6.97
Beam Global (NASDAQCM:BEEM)	37.07	2.22	0.03	2.17	7.23
Braille Energy Systems Inc. (TSXV:BES)	6.12	4.75	0.72	2.76	9.22
Cosmo Advanced Materials & Technology Co., Ltd. (KOSE:A005070)	1,225.97	0.63	0.90	0.33	1.10
RedFlow Limited (ASX:RFX)	25.64	0.34	0.02	0.33	1.10
Electrovaya Inc. (TSX:ELVA)	200.93	2.00	2.53	0.57	1.88
Energizer Holdings, Inc. (NYSE:ENR)	2,236.48	0.66	20.03	0.03	0.10
Enovix Corporation (NASDAQGS:ENVX)	2,906.48	1.99	0.73	1.15	3.84
Forsee Power S.A. (ENXTPA:FORSE)	50.61	1.35	1.13	0.63	2.12
Umicore SA (ENXTBR:UMI)	5,433.88	0.77	0.74	0.44	1.47
Invinity Energy Systems plc (AIM:IES)	224.25	1.48	0.05	1.41	4.71
NOVONIX Limited (ASX:NVX)	254.45	0.82	0.34	0.61	2.02
Average				1.01	3.37
Median				**0.63**	**2.12**

Source: S&P Capital IQ, Stantons analysis

13.11 Accordingly, we have used 2.12 as the beta for Altech, being the median of the comparable company volatilities.

Specific Risk Premium

13.12 A specific risk premium represents the additional return an investor expects to receive to compensate for country, size and project related risks not reflected in the expected beta.

13.13 We note that Altech expects to predominantly generates customer revenues in Germany, which has a country risk premium of nil[12].

13.14 The Cerenergy Project and Silumina Anodes Project are yet to be developed and requires significant capital investment to reach commercialisation. We have applied a specific risk premium of 11% to account for the specific project and financing risks.

Cost of Debt

13.15 For the purpose of estimating the cost of debt applicable to each business unit, we have considered the potential interest rate that the company would be charged on any new debt.

13.16 We considered the interest rates that apply to recent borrowings made by comparable companies. Based on our analysis, we assumed a cost of debt of 15% would apply to Altech.

Capital Structure

13.17 We have assumed a target capital structure of 50% debt and 50% equity for our WACC calculation.

[12] Aswath Damodoran, http://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/ctryprem.html

APPENDIX E

AUTHOR INDEPENDENCE AND INDEMNITY

This annexure forms part of and should be read in conjunction with the report of Stantons Corporate Finance Pty Ltd trading as Stantons Corporate Finance dated 2 July 2025, relating to the Transaction.

At the date of this report, Stantons Corporate Finance Pty Ltd does not have any interest in the outcome of the proposal. There are no relationships with Altech Batteries Limited or Altech Advanced Materials AG other than Stantons Corporate Finance Pty Ltd acting as an independent expert for the purposes of this report. We note that Stantons Corporate Finance Pty Ltd prepared an Independent Expert Reports for Altech Batteries Limited that were released via ASX on 22 September 2023 and 10 April 2025. Stantons Corporate Finance Pty Ltd undertook an independence assessment and considered that there are no existing relationships between Stantons Corporate Finance Pty Ltd and the parties participating in the Transaction detailed in this report which would affect our ability to provide an independent opinion. The fee (excluding disbursements) to be received for the preparation of this report is based on time spent at normal professional rates plus out of pocket expenses. Our fee for preparing this report is expected to be up to A$70,000 exclusive of GST. The fee is payable regardless of the outcome. Except for that fee, neither Stantons Corporate Finance Pty Ltd nor Mr James Turnbull have received, nor will or may they receive any pecuniary or other benefits, whether directly or indirectly for or in connection with the preparation of this report.

Stantons Corporate Finance Pty Ltd does not hold any securities in Altech Batteries Limited. There are no pecuniary or other interests of Stantons Corporate Finance Pty Ltd that could be reasonably argued as affecting its ability to give an unbiased and independent opinion in relation to the proposal. Stantons Corporate Finance Pty Ltd and Mr James Turnbull have consented to the inclusion of this report in the form and context in which it is included as an annexure to the Notice of Meeting.

QUALIFICATIONS

We advise Stantons Corporate Finance Pty Ltd is the holder of an Australian Financial Services License (No 448697) under the Corporations Act 2001 relating to advice and reporting on mergers, takeovers and acquisitions involving securities. Stantons Corporate Finance Pty Ltd has extensive experience in providing advice pertaining to mergers, acquisitions and strategic financial planning for both listed and unlisted businesses.

Mr James Turnbull, the person with overall responsibility for this report, has experience in the preparation of valuations for companies, particularly in the context of listed company corporate transactions, including the fairness and reasonableness of such transactions. The professionals employed in the research, analysis and evaluation leading to the formulation of opinions contained in this report, have qualifications and experience appropriate to the tasks they have performed.

DECLARATION

This report has been prepared at the request of Altech Batteries Limited to assist Non-Associated Shareholders of Altech Batteries Limited to assess the merits of the Transaction to which this report relates. This report has been prepared for the benefit of Altech Batteries Limited shareholders and those persons only who are entitled to receive a copy for the purposes under the Corporations Act 2001 and does not provide a general expression of Stantons Corporate Finance Pty Ltd.'s opinion as to the longer-term value of Altech Batteries Limited, its subsidiaries and/or assets. Stantons Corporate Finance Pty Ltd does not imply, and it should not be construed, that it has carried out any form of audit on the accounting or other records of Altech Batteries Limited or their subsidiaries, businesses, other assets and liabilities. Neither the whole, nor any part of this report, nor any reference thereto, may be included in or with or attached to any document, circular, resolution, letter or statement, without the prior written consent of Stantons Corporate Finance Pty Ltd to the form and context in which it appears.

DISCLAIMER

This report has been prepared by Stantons Corporate Finance Pty Ltd with due care and diligence. However, except for those responsibilities which by law cannot be excluded, no responsibility arising in any way whatsoever for errors or omission (including responsibility to any person for negligence) is assumed by Stantons Corporate Finance Pty Ltd (and Stantons International Audit and Consulting Pty Ltd, the parent

company of Stantons Corporate Finance Pty Ltd, its directors, employees or consultants) for the preparation of this report.

DECLARATION

Stantons Corporate Finance Pty Ltd relied on information provided by Altech Batteries Limited in the preparation of this report.

A final draft of this report was presented to Altech Batteries Limited for a review of factual information contained in the report. Comments received relating to factual matters were considered, however the valuation methodologies and conclusions did not change as a result of any feedback from Altech Batteries Limited.