ASX PRESS RELEASE

MEDIA CONTACT
DMG PR
SUSAN FITZPATRICK-NAPIER
or CAITLIN SCULLIN
TEAM@DMGPR.COM
02 8006 0424
or 02 8815 8155

ADVANCED BIOFUELS COMPANY ALGAE.TEC LISTS ON FRANKFURT STOCK EXCHANGE AND TAPS WORLD'S LARGEST INVESTOR BASE WITH NYSE MERGER

Perth, Western Australia/Atlanta, Georgia – February, 21st 2011 - Algae.Tec Limited (ASX: AEB) an advanced biofuels company with a high-yield enclosed algae growth and harvesting system (the McConchie-Stroud System) has been accepted to list on the Frankfurt Stock Exchange [FWB], now the largest investor base in the world following a merger announcement with the New York Stock Exchange [NYSE].

Algae.Tec Executive Chairman Roger Stroud said dual listing on the FWB, a global centre for sustainable energy investment and now part of the largest investor base in the world, gives the company access to the most significant sustainable energy financial market.

Germany has successfully positioned itself as the cleantech leader in the European Union. Sixteen percent of Germany's energy needs are already met by renewable sources, with a target of 30 percent for the year 2020.

"Algae.Tec has a globally focused growth path so it is important to be part of the world's biggest investment facility covering the EU and USA," said Stroud.

"The photo-bioreactors which are at the heart of the McConchie-Stroud algae production technology are designed to produce valuable sustainable biofuels including biodiesel and green jet biofuels," said Stroud.

"The technology also captures carbon pollution from power stations and manufacturing facilities which feed into the algae growth system."

“It is very positive for the economy, the environment, and the sustainable fuel industry.”

Algae.Tec COO Earl McConchie arrived in Australia this month to start work on the demonstration plant at The Manildra Group’s Nowra facility in NSW. The algae photo-bioreactor modules are being assembled in the USA and delivered to the Australia site.

The enclosed modular system is designed to deliver the highest yield of algae per hectare, and solves the problem of food-producing land being turned over for biofuel production.

About Algae.Tec (www.algaetec.com.au)

Algae.Tec was founded in 2008 and has offices in Atlanta, Georgia and Perth, Western Australia. The initial two commercial facilities will be deployed in China and Australia. The target size is a minimum of 250 modules in each location.

Additionally, the company has an MOU with Leighton Contractors for engineering and project management expertise. It has a highly experienced global team with over 200 years of technical, professional and business expertise in key energy and environmental industries and core competencies in biofuel technologies and energy markets. Algae.Tec has conducted hundreds of laboratory, bench-scale tests and product trials to-date; assessed competitive algae technologies; and has applied the pilot plant results to detailed engineering evaluations of commercial plant operations.

Collectively, these activities have led to the development of technology and know-how for high efficiency production of microalgae via a modular photo-bioreactor system and improved algae harvesting and product refinement technologies. Its algae technology has demonstrated exceptional performance in productivity, product yield, carbon dioxide sequestration, and production unit footprint requirements versus agricultural crops and other competitive algae processes in the industry.

Six algae species have been chosen, out of sixty studied. The preferred species are composed of approximately, 50% algal (vegetable) oil, and the biomass comprises 30% simple sugars and 20% edible protein. Consistent pilot plant production data, as outlined in Section 6.4 of the recent Prospectus, details that one module can produce 250 tonnes of dry algal matter per annum. Currently market prices for crude vegetable oil exceed $US1,000 per tonne, and for biomass of similar chemistry exceed $US400 per tonne, which would result in an estimated $US700 revenue per tonne, $US175,000 revenue per year per module.

Operating costs are estimated to be $US185 per tonne of production or $US46,250 per annum, per module. Based on a minimum of 200 modules, capital costs, including all ancillary, harvesting and separation equipment, are estimated to be $US125,000 per module, or $50 per tonne based on a 10 year module life.