



ASX RELEASE

27 May 2021

Non-renounceable pro-rata entitlement offer

Despatch of letter to ineligible shareholders

Carbonxt Group Limited (ASX:CG1) (the **Company** or **Carbonxt**) on 21 May 2021 announced a non-renounceable pro-rata entitlement offer, which entitles eligible shareholders to apply for 1 new fully paid ordinary share (**New Share**) for every 11 existing fully paid ordinary shares held as at 7.00pm (Sydney time) on Wednesday, 26 May 2021, at an offer price of \$0.15 per New Share and for every 2 New Shares issued, the Company will issue 1 free attaching option with an exercise price of \$0.24 each exercisable on or before Thursday, 15 June 2023, being 24 months from the issue date (**Offer**).

Attached is a letter despatched by Carbonxt today to all shareholders in the Company who are ineligible to participate in the Offer.

This announcement has been authorised for release to ASX by the Board of Directors of Carbonxt Group Limited.

ENDS

For Investor Enquiries

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About Carbonxt

Carbonxt (ASX:CG1) is a cleantech company that develops and markets specialised Activated Carbon products, primarily focused on the capture of mercury and other contaminants in industrial processes that emit substantial amounts of harmful pollutants. The Company produces and manufactures Powdered Activated Carbon and Activated Carbon pellets for use in industrial air purification, waste water treatment and other liquid and gas phase markets.



27 May 2021

Dear Shareholder

Non-Renounceable Entitlement Offer - Notification to Ineligible Shareholders

I refer to the partially underwritten non-renounceable pro-rata entitlement offer (**Offer**) announced by Carbonxt Group Limited ACN 097 247 464 (**ASX: CG1**) (the **Company** or **Carbonxt**) on 21 May 2021, under which the Company may raise up to \$2.06 million before expenses of the Offer. The prospectus for the Offer has been lodged with the ASX and is available on the ASX website (www.asx.com.au) and the Company's website (<http://www.carbonxt.com/>).

The Offer will offer eligible Carbonxt shareholders the opportunity to apply for 1 new ordinary share (**New Share**) for every 11 existing ordinary shares held as at 7.00pm (Sydney time) on Wednesday, 26 May 2021 (**Record Date**), at an offer price of \$0.15 per New Share (**Offer Price**) and for every two New Shares issued, the Company will issue one free attaching option with an exercise price of \$0.24 exercisable on or before Thursday, 21 June 2023, being 24 months from the issue date (**New Option**). The New Shares and New Options are collectively referred to as New Securities.

This letter is to inform you about the Offer and to explain why you will not be able to subscribe for New Securities under the Offer. This letter is not an offer to issue New Securities to you, nor an invitation for you to apply for New Securities. You are not required to do anything in response to this letter.

The Company has decided that it is unreasonable to make offers under the Offer to shareholders recorded on the Company's share register on the Record Date with a registered address outside Australia or New Zealand (**Ineligible Shareholders**), having regard to the number of Ineligible Shareholders, their holdings and the compliance costs required to offer the shares under the Offer to Ineligible Shareholders.

Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A(3) of the *Corporations Act 2001* (Cth), the Company wishes to advise that you are an Ineligible Shareholder and that it will not be extending the Offer to you.

If you have any additional questions regarding the Offer, please contact Laura Newell, Company Secretary between 9.00am and 5.00pm (Sydney time) on business days by calling +61 2 9290 9600 or your professional advisor. Otherwise, on behalf of the board of directors and management of the Company, we thank you for your continued support of the Company.

Yours sincerely

Carbonxt Group Limited

A handwritten signature in black ink, appearing to read 'M Driscoll', with a horizontal line underneath.

Matthew Driscoll
Chairman