



Carbon Revolution Limited  
Geelong Technology Precinct  
75 Pigdons Road  
Waurin Ponds, 3216  
Australia

ABN: 96 128 274 653



## Carbon Revolution (ASX code: CBR) Share Purchase Plan

Carbon Revolution Limited (ASX: CBR) announced on 18 March 2020 that it would be undertaking a share purchase plan (**SPP**). The SPP follows Carbon Revolution's completion of a A\$25 million placement (**Placement**), which was conducted at A\$1.50 per share (**Placement Price**).

The SPP is now open to eligible Carbon Revolution shareholders to apply for up to A\$30,000 of new fully paid ordinary shares (**New Shares**) free of any brokerage, commission and transaction costs. New Shares will be offered at the Placement Price of A\$1.50 per New Share.

The SPP will be capped at A\$3 million and is not underwritten.

Shareholders are eligible if they had a registered address in Australia or New Zealand on Carbon Revolution's register at 7.00pm (Melbourne time) on Tuesday, 17 March 2020 (**Eligible Shareholders**).

New Shares issued under the SPP will rank equally with existing Carbon Revolution shares from their date of issue.

The SPP is subject to the terms and conditions set out in the SPP booklet, which is being sent to Eligible Shareholders today. Eligible Shareholders are encouraged to read the SPP booklet carefully, and if in any doubt about whether or not to accept the SPP offer, to consult with a financial or other professional adviser.

### KEY DATES FOR THE SPP

| Description   | Date   |
|---|--|
| Record date for SPP   | 7.00pm (Melbourne time)<br>Tuesday 17 March 2020 |
| SPP offer opens and booklet despatched  | Wednesday 25 March 2020                          |
| SPP offer closing date  | Wednesday 15 April 2020                          |
| Announce results of SPP   | Monday 20 April 2020                             |
| SPP allotment date  | Wednesday 22 April 2020                          |
| Despatch of holding statements and trading of New Shares issued under the SPP commences | Thursday 23 April 2020                           |

The above timetable is indicative only and subject to change. The commencement of trading and quotation of New Shares issued under the SPP is subject to confirmation from ASX. Subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable rules, Carbon Revolution reserves the right to amend this timetable at any time, including extending the period for the SPP or accepting late applications, either generally or in particular cases, without notice.



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Automotive  
TS 16949



Quality  
ISO 9001



Environment  
ISO 14001



## FURTHER INFORMATION

If you have any questions in relation to how to participate in the SPP, please contact the Carbon Revolution Information Line from 8.30am to 5.30pm (Sydney time) Monday to Friday on 1300 650 320 (callers within Australia) or +61 1300 650 320 (callers outside Australia) or consult your financial or other professional adviser. If you have any questions in relation to whether an investment in Carbon Revolution through the SPP is appropriate for you, please contact your stockbroker, accountant or other professional adviser.

**Authorised for release by the Board of Directors of Carbon Revolution Limited**

**David Nock**  
**Company Secretary**  
**Carbon Revolution Limited**

This announcement may not be distributed or released in the United States.

This announcement is not financial product advice and has not taken into account your objectives, financial situation or needs. This announcement has been prepared for release in Australia. This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any jurisdiction in which such an offer would be illegal. The New Shares have not been, nor will be, registered under the U.S. Securities Act of 1933 (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, to any person in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.



# Carbon Revolution Limited

## Share Purchase Plan Booklet

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This is an important document and requires your immediate attention. You should read this Booklet in full.

Eligible Shareholders have the opportunity to participate in the Share Purchase Plan offer by applying for up to \$30,000 of new Shares without incurring brokerage or other transaction costs. Details of the offer and how to participate are set out in this Booklet.

**Applications for new Shares under the SPP must be received by 5.00pm (Sydney time) on Wednesday 15 April 2020.**

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

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## Important information

This document is intended for use only in connection with the SPP Offer to Eligible Shareholders in Australia or New Zealand. No action has been taken to permit an offering of Shares in any jurisdiction outside of Australia and New Zealand. The distribution of this document may be restricted by law and persons (including Custodians and nominees) who come into possession of this document should observe any such restrictions.

This document may not be distributed or released in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, any Shares in the United States or in any jurisdiction in which such an offer would be illegal. The Shares to be offered and sold under the SPP have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any U.S. state or other jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of a person in the United States (to the extent such person is acting for the account or benefit of a person in the United States).

# 1 Letter to Shareholders

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Dear Shareholder

On behalf of the directors of Carbon Revolution Limited (**Carbon Revolution**), I am pleased to offer you the opportunity to participate in a share purchase plan (**SPP**), which allows Eligible Shareholders to subscribe for up to \$30,000 of new Shares in Carbon Revolution (**SPP Shares**) without incurring brokerage or other transaction costs.

The SPP aims to raise up to \$3 million and is not underwritten.

The SPP follows Carbon Revolution's institutional placement announced on Wednesday 18 March 2020, which raised \$25 million (**Placement**).

New SPP Shares are being offered at the Issue Price of \$1.50 per SPP Share, which is the same price as was paid for each Share by investors in the Placement.

In connection with the requirements under ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, Carbon Revolution informs shareholders that this Issue Price represents a:

- 40.2% discount to the closing price of Carbon Revolution Shares of \$2.51 on 13 March 2020 (prior to the trading halt in connection with the placement commencing); and
- 49.7% discount to the 5 day VWAP of \$2.99 on 13 March 2020.

## **Use of proceeds of the Placement and SPP**

The proceeds of the Placement and SPP will be used to:

- fund increases in working capital (including for purchases of additional raw materials and to increase working capital for FY21);
- fund operating expenditure, given it is likely Carbon Revolution will become EBITDA<sup>1</sup> positive later than expected;
- strengthen Carbon Revolution's cash balance throughout calendar year 2020, as a prudent measure in the current environment; and
- fund the costs of undertaking the Placement and SPP.

Further details about the Placement are included in Carbon Revolution's ASX announcements released on 18 March 2020, which we encourage you to read.

## **Participation in the SPP**

Participation in the SPP is voluntary and open to all Eligible Shareholders, being holders of Shares in Carbon Revolution at 7.00pm (Sydney time) on Tuesday, 17 March 2020 (**Record Date**) and whose address on the Register is in Australia or New Zealand. The SPP is also being extended to Eligible Shareholders who are Custodians or nominees to participate in the SPP on behalf of certain Eligible Beneficiaries on the terms and conditions set out in this booklet (**Booklet**).

Once issued, SPP Shares will rank equally with existing Shares in Carbon Revolution.

The terms and conditions of the SPP are provided in this Booklet. We urge you to read these materials in their entirety and seek your own financial and taxation advice in relation to the SPP, before you decide whether to participate.

## **How to apply for SPP Shares**

The SPP opens on Wednesday 25 March 2020 and is expected to close at 5.00pm (Sydney time) on Wednesday 15 April 2020. SPP Shares are expected to be issued on Wednesday 22 April 2020 and to commence trading on ASX on Thursday 23 April 2020.

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<sup>1</sup> EBITDA means earnings before interest, tax, depreciation and amortisation.

To apply for SPP Shares, you must, by **5.00pm (Sydney time) on Wednesday 15 April 2020**, either:

- make a payment directly via BPAY®<sup>2</sup> (you do not need to return the Application Form enclosed with this Booklet if you chose this option); or
- complete and return the personalised Application Form enclosed with this Booklet, together with payment via cheque.

#### **Questions and further information**

This Booklet contains important information about the SPP to assist you in deciding whether to participate in the SPP. You should read this Booklet carefully and in its entirety before deciding whether to apply, and in particular, the 'Key Risks' section of Carbon Revolution's investor presentation released to the ASX on Wednesday 18 March 2020.

If you have any questions in relation to how to participate in the SPP, please contact the Carbon Revolution Information Line from 8.30am to 5.30pm (Sydney time) Monday to Friday on 1300 650 320 (callers within Australia) or +61 1300 650 320 (callers outside Australia) or consult your financial or other professional adviser. If you have any questions in relation to whether an investment in Carbon Revolution through the SPP is appropriate for you, please contact your stockbroker, accountant or other professional adviser.

Thank you for your continued support of Carbon Revolution.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'James Douglas', with a long horizontal flourish extending to the right.

**James Douglas**  
Chairman  
Carbon Revolution Limited

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<sup>2</sup> Registered by BPAY Pty Ltd (ABN 69 079 137 518).

## 2 Summary of important dates

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| Event   | Date   |
|---|--|
| <b>Record Date</b> (the date that eligibility to participate in the SPP was determined) | 7.00pm (Sydney time),<br>Tuesday 17 March 2020   |
| <b>Opening Date for applications</b>  | Wednesday 25 March 2020                          |
| <b>Closing Date for applications</b>  | 5.00pm (Sydney time),<br>Wednesday 15 April 2020 |
| <b>Results of SPP announced</b>   | Monday 20 April 2020                             |
| <b>Issue of SPP Shares</b>  | Wednesday 22 April 2020                          |
| <b>SPP Shares commence trading on ASX</b>   | Thursday 23 April 2020                           |
| <b>Despatch of holding statements</b>   | Thursday 23 April 2020                           |

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*This timetable is indicative only and subject to change. Carbon Revolution reserves the right to alter the dates above at its discretion, subject to the Listing Rules and Corporations Act. All references to times in this Booklet are to Sydney time.*

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### 3 Summary of SPP

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You should read this section in conjunction with the Terms and Conditions of the SPP set out in section 4 of this Booklet.

| Key SPP details                         | Summary   |
|---|---|
| <b>SPP offer</b>                        | Eligible Shareholders of Carbon Revolution may subscribe for up to \$30,000 of SPP Shares without brokerage or other transaction costs.   |
| <b>Purpose of the Placement and SPP</b> | <p>The proceeds of the Placement and SPP will be used to:</p> <ul style="list-style-type: none"><li>• fund increases in working capital (including for purchases of additional raw materials and to increase working capital for FY21);</li><li>• fund operating expenditure, given it is likely Carbon Revolution will become EBITDA positive later than expected;</li><li>• strengthen Carbon Revolution's cash balance throughout calendar year 2020; and</li><li>• fund the costs of undertaking the Placement and SPP.</li></ul>   |
| <b>Voluntary participation</b>          | <p>Participation in the SPP is entirely voluntary.</p> <p>Before you decide whether to participate in the SPP, Carbon Revolution recommends you seek independent financial advice from your stockbroker, accountant or other professional adviser.</p> <p>If you do not wish to participate in the SPP, do nothing.</p>   |
| <b>Issue Price of the SPP Shares</b>    | <p>The Issue Price of the SPP Shares is \$1.50 per SPP Share, which is the same price as was paid for each Share by investors in the Placement.</p> <p>In connection with the requirements under ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, Carbon Revolution informs shareholders that this Issue Price represents a:</p> <ul style="list-style-type: none"><li>• 40.2% discount to the closing price of Carbon Revolution Shares of \$2.51 on 13 March 2020 (prior to the trading halt in connection with the placement); and</li><li>• 49.7% discount to the 5 day VWAP of \$2.99 on 13 March 2020.</li></ul> <p>There is a risk that the market price of Shares may rise or fall between the date of this Booklet and the time of issue of SPP Shares under the SPP. This means that the price you pay for the SPP Shares issued to you may be less than or more than the market price of Shares at the date of this Booklet or the time of issue.</p> <p>Your application is unconditional and may not be withdrawn even if the market price of Shares is less than the Issue Price.</p> |



| Key SPP details              | Summary   |
|------------------------------|---|
| <b>Eligible Shareholders</b> | <p>Eligible Shareholders are eligible to participate in the SPP, being Shareholders who were registered holders of Shares at 7.00pm (Sydney time) on Tuesday 17 March 2020 with a registered address in either Australia or New Zealand as shown on the Register.</p> <p>The SPP is also being extended to Eligible Shareholders who are Custodians or nominees to participate in the SPP on behalf of Eligible Beneficiaries on the terms and conditions provided in this Booklet.</p>   |
| <b>Not transferable</b>      | The SPP offer cannot be transferred.  |
| <b>Investment amount</b>     | <p>Eligible Shareholders may apply for SPP Shares in parcels valued at \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500, \$15,000, \$20,000, \$25,000 or \$30,000.</p> <p>The number of SPP Shares issued to an applicant will be rounded up to the nearest whole number after dividing the application monies by the Issue Price. Applications may be scaled back at the absolute discretion of Carbon Revolution.</p>   |
| <b>How to apply</b>          | <p>If you wish to participate in the SPP, you need to do one of the following:</p> <p><b>Option 1: Apply via BPAY</b></p> <p>This is the fastest and easiest way to apply. To apply via BPAY you will need to:</p> <ul style="list-style-type: none"> <li>• use the personalised reference number that is required to identify your shareholding as shown on your personalised Application Form that accompanies this Booklet;</li> <li>• be an account holder with an Australian branch of a financial institution; and</li> <li>• ensure that your payment for the appropriate amount is received by the Registry before <b>5.00pm (Sydney time) on Wednesday 15 April 2020</b>. Financial institutions may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment.</li> </ul> <p>You can only make payment via BPAY if you are the holder of an account with an Australian branch of a financial institution that supports BPAY transactions.</p> <p>If you are paying via BPAY, there is no need to return the Application Form but you will be taken to have made the statements and certifications that are set out in the Application Form.</p> <p><b>Option 2: Pay by cheque by applying using your personalised Application Form</b></p> <p>Please complete the personalised Application Form that accompanies this Booklet and return it with your cheque made payable to <b>"Carbon Revolution Limited SPP"</b>, drawn on an Australian branch of a financial institution and crossed <b>"Not Negotiable"</b> in the enclosed reply envelope to:</p> |

| Key SPP details                      | Summary  |
|--------------------------------------|--|
|                                      | <p><b>Mailing address:</b><br/>Carbon Revolution Limited<br/>C/- Link Market Services Limited<br/>GPO Box 3560<br/>Sydney NSW 2001</p> <p><b>Hand delivery:</b><br/><i>(please do not use this address for mailing purposes)</i><br/><br/>Carbon Revolution Limited<br/>C/- Link Market Services Limited<br/>1A Homebush Bay Drive<br/>Rhodes NSW 2138</p> <p>Shareholders in New Zealand will need to affix the appropriate postage to the reply envelope.</p> <p>Your completed Application Form and cheque for the appropriate amount must be received by the Registry prior to the close of the SPP Offer at <b>5.00pm (Sydney time) on Wednesday 15 April 2020</b>.</p>   |
| <b>Rights attached to SPP Shares</b> | SPP Shares will rank equally with all other Shares on issue.   |
| <b>Custodians and nominees</b>       | <p>The SPP is being extended to Eligible Shareholders who are Custodians or nominees and who wish to apply for SPP Shares on behalf of certain Eligible Beneficiaries.</p> <p>The SPP is being offered to Custodians and nominees as the registered Shareholder. Custodians and nominees are not required to participate on behalf of their Eligible Beneficiaries. Custodians and nominees may choose whether or not to extend the SPP to their Eligible Beneficiaries.</p> <p>If you wish to apply as a Custodian or nominee under the SPP to receive SPP Shares for one or more Eligible Beneficiaries, you must complete and submit an additional '<b>Custodian Certificate</b>' that contains further certifications and details (as required under the terms of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547) before your application will be accepted. Applications by Custodians or nominees that are not accompanied by a duly completed Custodian Certificate will be rejected. By applying as a Custodian on behalf of Eligible Beneficiaries to purchase SPP Shares, you certify (amongst other things) that each Eligible Beneficiary has not exceeded the \$30,000 limit.</p> <p>To request a Custodian Certificate email <a href="mailto:capitalmarkets@linkmarketservices.com.au">capitalmarkets@linkmarketservices.com.au</a>.</p> <p>A Custodian will be ineligible to participate in the SPP if their participation would be in breach of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.</p> |

| Key SPP details            | Summary   |
|----------------------------|---|
| <b>Issue of SPP Shares</b> | SPP Shares are expected to be issued on Wednesday, 22 April 2020 and holding statements are expected to be despatched on or around Thursday 23 April 2020.  |
| <b>Oversubscriptions</b>   | <p>The amount that each Eligible Shareholder can apply for under the SPP is capped at \$30,000. The SPP aims to raise up to \$3 million. Carbon Revolution may decide to accept applications (in whole or in part) that result in the SPP raising less than this amount in its absolute discretion.</p> <p>Carbon Revolution may, in its absolute discretion, scale back the number of SPP Shares that will be issued to individual Shareholders under the SPP. If this happens you may be issued SPP Shares to a value that is less than the value of SPP Shares you applied for and the difference will be refunded to you (without interest) if this amount is greater than \$2.</p> |
| <b>Refunds</b>             | Any application monies refunded by Carbon Revolution will be paid by cheque or direct credit (the payment method will be determined by Carbon Revolution in its absolute discretion) in Australian currency. By applying for SPP Shares, each Shareholder authorises Carbon Revolution to pay any monies to be refunded by using the payment instructions of the Shareholder recorded in the Registry's records if Carbon Revolution should elect to pay in this manner.  |
| <b>More information</b>    | <p>If you have any questions in relation to how to participate in the SPP, please contact the Registry from 8.30am to 5.30pm (Sydney time) Monday to Friday on 1300 650 320 (callers within Australia) or +61 1300 650 320 (callers outside Australia) or consult your financial or other professional adviser.</p> <p>If you have any questions in relation to whether an investment in Carbon Revolution through the SPP is appropriate for you, please contact your stockbroker, accountant or other professional adviser.</p>   |

## 4 SPP Terms and Conditions

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### Important notice and disclaimer

**This Booklet does not provide financial advice and has been prepared without taking account of any person's investment objectives, financial situation or particular needs. You should consider the appropriateness of participating in the SPP having regard to your investment objectives, financial situation or particular needs. Shareholders should seek independent financial and taxation advice before making any investment decision in relation to these matters.**

The offer of SPP Shares under the SPP Offer is made in accordance with ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547, which grants relief from the requirement for Carbon Revolution to provide prospectus disclosure in relation to the SPP. This Booklet does not constitute a prospectus or product disclosure statement, and has not been lodged with ASIC. The issue of a prospectus or product disclosure statement is not required for the purpose of the SPP Offer. You must rely on your own knowledge of Carbon Revolution, previous disclosure made by Carbon Revolution to ASX and if necessary, consult with your professional adviser when deciding whether or not to participate in the SPP Offer.

If you participate in the SPP by completing and returning the Application Form or by making a payment by BPAY, you are accepting the risk that the market price of Shares may change between the Record Date, the date on which you send the Application Form to the Registry or make a payment by BPAY and the Issue Date. This means that, up to and/or after the Issue Date, you may be able to buy Shares on ASX at a lower price than the Issue Price.

Please read these terms and conditions carefully, as you will be bound by them in participating in the SPP. Shareholders accepting the SPP Offer will also be bound by the constitution of the Carbon Revolution.

The previous sections of this Booklet and the Application Form forms part of these Terms and Conditions.

### 4.1 Offer

- (a) Carbon Revolution offers each Eligible Shareholder the opportunity to purchase up to \$30,000 of SPP Shares under the SPP subject to and in accordance with the terms and conditions set out below, in the previous sections of this Booklet and the Application Form (**SPP Offer**).
- (b) The SPP Offer opens on Wednesday 25 March 2020 and closes at 5.00pm (Sydney time) on Wednesday 15 April 2020 (or such other date as Carbon Revolution determines, in its absolute discretion).
- (c) Participation in the SPP is voluntary. If you choose not to participate in the SPP, your right to participate lapses at the Closing Date, being 5.00pm (Sydney time) on Wednesday 15 April 2020 (or such other date as Carbon Revolution determines, in its absolute discretion).
- (d) The SPP Offer is non-transferable and, therefore, Eligible Shareholders cannot transfer their right to purchase SPP Shares to a third party.
- (e) The SPP Offer to each Eligible Shareholder (whether as a Custodian or on its own account) is made on the same terms and conditions.
- (f) All references to \$ or dollars in this Booklet are references to Australian dollars unless otherwise indicated.

## 4.2 Eligible Shareholders

- (a) You are eligible to participate in the SPP Offer if you:
  - (1) were registered on the Register as a Shareholder at 7.00pm (Sydney time) on Tuesday 17 March 2020 (**Record Date**);
  - (2) had a registered address in either Australia or New Zealand at that time as shown on the Register; and
  - (3) are not in the United States and are not acting for the account or benefit of a person in the United States (or, in the event that you are acting for the account or benefit of a person in the United States, you are not participating in the SPP in respect of that person).
- (b) The SPP is also extended to Eligible Shareholders who are Custodians or nominees, in accordance with clauses 4.3(b) and 4.4(e) below.
- (c) The SPP Offer is not made to Shareholders with a registered address outside of Australia and New Zealand.

## 4.3 Joint holders and Custodians and nominees

- (a) If two or more persons are registered on the Register as jointly holding Shares, they are taken to be a single registered holder of Shares for the purposes of determining whether they are an Eligible Shareholder and a certification given by any of them is taken to be a certification given by all of them.
- (b) Subject to these terms and conditions, Eligible Shareholders who are Custodians or nominees may participate in the SPP on behalf of each Eligible Beneficiary on whose behalf the Custodian or nominee is holding Shares.

## 4.4 Applications for SPP Shares

- (a) Eligible Shareholders may apply for SPP Shares in parcels valued at \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500, \$15,000, \$20,000, \$25,000 or \$30,000.
- (b) No brokerage or other transaction costs will apply to the acquisition of SPP Shares.
- (c) Eligible Shareholders who wish to apply for SPP Shares must either:
  - (1) **make a payment for the appropriate amount via BPAY** in accordance with the instructions on the Application Form so that it is received prior to **5.00pm (Sydney time) on Wednesday 15 April 2020**; or
  - (2) **complete the enclosed Application Form** and forward it with a cheque drawn for the appropriate amount from an Australian branch of a financial institution made payable to "**Carbon Revolution Limited SPP**" and crossed "**Not Negotiable**" in the enclosed reply envelope so that it is received prior to **5.00pm (Sydney time) on Wednesday 15 April 2020**. Shareholders in New Zealand will need to affix the appropriate postage to the reply envelope.
- (d) Eligible Shareholders who receive more than one offer under the SPP (for example, because they hold Shares in more than one capacity or in different registered holdings) may apply on different Application Forms for SPP Shares but may not apply for SPP Shares with an aggregate value of more than \$30,000.

- (e) If you wish to subscribe for SPP Shares as a Custodian or nominee for one or more Eligible Beneficiaries, you must also complete and submit an additional Custodian Certificate that contains further certifications and details (required under the terms of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547) before your application will be accepted. Applications by Custodians or nominees that are not accompanied by a duly completed Custodian Certificate will be rejected. To request a Custodian Certificate please email [capitalmarlets@linkmarketservices.com.au](mailto:capitalmarlets@linkmarketservices.com.au).
- (f) Carbon Revolution may accept or reject your application for SPP Shares in whole or in part in its discretion including, without limitation, if:
  - (1) your application does not comply with these terms and conditions;
  - (2) it appears you are not an Eligible Shareholder;
  - (3) your Application Form and cheque or BPAY payment is not received by the Closing Date;
  - (4) if paying by cheque, your Application Form is incomplete or incorrectly completed or is otherwise determined by Carbon Revolution to be invalid;
  - (5) your cheque is dishonoured or has been incorrectly completed;
  - (6) it appears that you are applying to purchase more than \$30,000 of SPP Shares in aggregate (including as a result of Shares you hold directly, jointly or through a custodian or nominee arrangement) or your application is not for an amount of \$1,000, \$2,500, \$5,000, \$7,500, \$10,000, \$12,500, \$15,000, \$20,000, \$25,000 or \$30,000;
  - (7) payment of the application monies is not submitted in Australian currency or, if payment is made by cheque, the cheque is not drawn on an Australian branch of a financial institution; or
  - (8) the amount of your BPAY payment or cheque is not equal to the amount of your application. If this occurs, Carbon Revolution will:
    - (A) refund in full your application monies and not issue any SPP Shares to you; or
    - (B) issue to you the number of SPP Shares that would have been issued had you applied for the highest designated amount that is less than the amount of your payment and refund to you the excess of your application monies (without interest) if this amount is greater than \$2.
- (g) If you are entitled to a refund of all or any of your application monies, the refund will be paid to you, without interest, as soon as is practicable:
  - (1) by direct credit to your nominated account (as recorded on the Register) or cheque; or
  - (2) by returning your Application Form and cheque, if not processed, to your registered address (as recorded on Register).

#### 4.5 Issue Price

- (a) The Issue Price per SPP Share is \$1.50 per SPP Share, which is the same price as was paid for each Share by investors in the Placement.

- (b) The current Share price can be obtained from the ASX's website and is listed in the financial and business section of major daily newspapers circulating in Australia.
- (c) You agree to pay the Issue Price per SPP Share for the number of SPP Shares calculated under clause 4.6(a) or, if there is a scale back, the number of SPP Shares calculated under clause 4.10.

#### **4.6 Number of SPP Shares to be issued**

- (a) If you apply for SPP Shares, you will apply for a certain value, rather than a certain number, of SPP Shares. If your application is accepted, Carbon Revolution will divide the value of your application monies by the Issue Price (as determined under clause 4.5(a)) in order to determine the number of SPP Shares which, subject to scale back, will be issued to you.
- (b) If this calculation produces a fractional number, the number of SPP Shares issued will be rounded up to the nearest whole SPP Share.

#### **4.7 Issue of SPP Shares**

- (a) SPP Shares will be issued on the Issue Date.
- (b) SPP Shares will rank equally with existing Shares as at the Issue Date.
- (c) Carbon Revolution will apply to ASX for the quotation of SPP Shares. It is anticipated that SPP Shares will be quoted on ASX after their issue.
- (d) The Registry will send you a holding statement, confirming the issue of SPP Shares, on or around Thursday 23 April 2020.

#### **4.8 Shareholders outside Australia and New Zealand**

- (a) The laws of some countries prohibit or make impracticable participation in the SPP by certain overseas Shareholders. Shareholders who are not resident in Australia or New Zealand will not be able to participate in the SPP. The SPP does not constitute an offer of Shares for sale or issue in any other jurisdiction.
- (b) The SPP Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders of Carbon Revolution at the Record Date with registered addresses in New Zealand to whom the offer of SPP Shares is being made in reliance on the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).
- (c) This Booklet has not been registered, filed with or approved by any New Zealand regulatory authority. This Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.
- (d) Shareholders in the United States are not eligible to participate in the SPP. Similarly, Shareholders (including Custodians and nominees) who hold Shares on behalf of persons in the United States, or are acting for the account or benefit of persons in the United States, are not eligible to participate in the SPP on behalf of those persons.

#### **4.9 Acknowledgements**

By returning an Application Form with a cheque or making a payment via BPAY, you:

- (a) are deemed to have accepted the SPP Offer and you irrevocably and unconditionally agree to the terms and conditions of the SPP and the terms and conditions of the Application Form and agree not to do any act or thing that would be contrary to the spirit, intention or purpose of the SPP;
- (b) warrant that all details and statements in your application are true and complete and not misleading;
- (c) agree that your application will be irrevocable and unconditional (that is, it cannot be withdrawn);
- (d) warrant that you are an Eligible Shareholder and are eligible to participate in the SPP;
- (e) acknowledge that no interest will be paid on any application monies held pending the issue of SPP Shares or subsequently refunded to you for any reason;
- (f) acknowledge that Carbon Revolution and its officers and agents, are not liable for any consequences of the exercise or non-exercise of its discretions referred to in these terms and conditions;
- (g) agree to pay the Issue Price per SPP Share up to the maximum of:
  - (1) the value you have selected on the Application Form; or
  - (2) the maximum value of your BPAY payment or cheque;
- (h) acknowledge and agree that:
  - (1) you are not in the United States and are not acting for the account or benefit of a person in the United States (or, in the event that you are acting for the account or benefit of a person in the United States, you are not participating in the SPP in respect of that person);
  - (2) the SPP Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States, and accordingly, the SPP Shares may not be offered, sold or otherwise transferred in the United States;
  - (3) you have not, and will not, send this Booklet or any materials relating to the SPP to any person outside of Australia or New Zealand, including in the United States;
  - (4) if in the future you decide to sell or otherwise transfer the SPP Shares, you will only do so in the regular way for transactions on ASX where neither you nor any person acting on your behalf know, or have reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person outside of Australia or New Zealand, including in the United States; and
  - (5) if you are acting as a trustee, nominee or Custodian, each beneficial holder on whose behalf you are participating is resident in Australia or New Zealand (and is not in the United States and is not acting for the account or benefit of a person in the United States), and you have not sent this Booklet, or any materials relating to the SPP to any person outside Australia and New Zealand (including, without limitation, to any person in the United States or to any person acting for the account or benefit of a person in the United States);
- (i) if you are applying on your own behalf (and not as a Custodian or nominee) acknowledge and agree that:



- (1) you are not applying for SPP Shares with an application price of more than \$30,000 under the SPP (including by instructing a Custodian or nominee to acquire SPP Shares on your behalf under the SPP); and
- (2) the total of the application price for the following does not exceed \$30,000:
  - (A) the SPP Shares the subject of the application;
  - (B) any other Shares issued to you under the SPP or any similar arrangement in the 12 months before the application;
  - (C) any other SPP Shares which you have instructed a Custodian or nominee to acquire on your behalf under the SPP; and
  - (D) any other Shares issued to a Custodian in the 12 months before the application as a result of an instruction given by you to the Custodian or nominee to apply for Shares on your behalf under an arrangement similar to the SPP;
- (j) if you are a Custodian or nominee and are applying on behalf of an Eligible Beneficiary on whose behalf you hold Shares, acknowledge and agree that:
  - (1) you are a Custodian (as that term is defined in ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547) or a nominee;
  - (2) you held Shares on behalf of the Eligible Beneficiary as at the Record Date who has instructed you to apply for SPP Shares on their behalf under the SPP and that that Eligible Beneficiary has been given a copy of this Booklet;
  - (3) you are not applying for SPP Shares on behalf of any Eligible Beneficiary with an application price of more than \$30,000 under the SPP; and
  - (4) the information in the Custodian Certificate submitted with your Application Form is true, correct and not misleading;
- (k) accept the risk associated with any refund that may be dispatched to you by direct credit or cheque to your address shown on the Register;
- (l) are responsible for any dishonour fees or other costs Carbon Revolution may incur in presenting a cheque for payment that is dishonoured;
- (m) agree to be bound by the constitution of Carbon Revolution;
- (n) acknowledge that none of Carbon Revolution, its advisers or agents, has provided you with any financial product or investment advice or taxation advice in relation to the SPP, or has any obligation to provide such advice;
- (o) you authorise Carbon Revolution, and its officers and agents, to do anything on your behalf necessary for SPP Shares to be issued to you in accordance with these terms and conditions;
- (p) you acknowledge that Carbon Revolution may at any time irrevocably determine that your application is valid, in accordance with the terms and conditions of the SPP, even if the Application Form is incomplete, contains errors or is otherwise defective; and
- (q) you authorise Carbon Revolution, and its officers and agents, to correct minor or easily rectified errors in, or omissions from, your Application Form and to complete the Application Form by the insertion of any missing minor detail.

**4.10 Scale back**

- (a) Carbon Revolution may in its absolute discretion undertake a scale back of applications for SPP Shares to the extent and in the manner it sees fit.
- (b) If there is a scale back you may receive less than the parcel of SPP Shares for which you apply.
- (c) If a scale back produces a fractional number of SPP Shares when applied to your parcel, the number of SPP Shares you will be issued will be rounded up to the nearest whole number of SPP Shares.
- (d) If there is a scale back, the difference between the application monies received from you, and the number of SPP Shares allocated to you multiplied by the Issue Price will be refunded to you (without interest) if this amount is greater than \$2.

**4.11 Dispute resolution**

- (a) Carbon Revolution may settle, in any manner it deems appropriate, any difficulties, anomalies, or disputes which may arise in connection with, or by reason of, the operation of the SPP whether generally or in relation to any participant or any application for SPP Shares, and its decision shall be conclusive and binding on all participants and other persons to whom the determination relates.
- (b) The powers of Carbon Revolution under these terms and conditions may be exercised by the Directors or any delegate or representative of the Directors.

**4.12 Variation and termination**

- (a) Carbon Revolution reserves the right at any time to:
  - (1) amend or vary these terms and conditions;
  - (2) waive strict compliance with any provision of these terms and conditions;
  - (3) withdraw the SPP Offer or suspend or terminate the SPP;
  - (4) vary the timetable for the SPP, including the Closing Date; and
  - (5) not accept an application, not issue SPP Shares or issue SPP Shares to a value less than that applied for under the SPP by an Eligible Shareholder (including a Custodian or nominee applying on behalf of its Eligible Beneficiaries).
- (b) In the event that the SPP is withdrawn or terminated, all application monies will be refunded. No interest will be paid on any money returned to you.

**4.13 Privacy policy**

- (a) Chapter 2C of the Corporations Act requires information about a shareholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. This information must continue to be included in the public register if you cease to be a shareholder.
- (b) Carbon Revolution and the Registry may collect personal information to process your application, implement the SPP and administer your holding of Shares. The personal information contained in the Register is also used to facilitate

payments and corporate communications (including financial results), annual reports and other information to be communicated to Shareholders, and to ensure compliance with legal and regulatory requirements, including Australian taxation laws and the Corporations Act.

- (c) Your personal information may be disclosed to joint investors, the Registry, securities brokers, third party service providers (including print and mail service providers, technology providers and professional advisers), related entities of Carbon Revolution and its agents and contractors, and ASX and other regulatory authorities, and in any case, where disclosure is required or allowed by law (which may include disclosures to the Australian Taxation Office and other government or regulatory bodies or where you have consented to the disclosure). In some cases, the types of organisations referred to above to whom your personal information may be disclosed may be located overseas.
- (d) A copy of Carbon Revolution's privacy statement, which describes how we manage your personal information, is available at <https://www.carbonrev.com/privacy-policy>.

#### **4.14 Underwriting**

The SPP is not underwritten.

#### **4.15 Governing law**

These terms and conditions are governed by the laws in force in Victoria. Any dispute arising out of, or in connection with, these terms and conditions, or the SPP Offer, will be determined by the courts of Victoria. By accepting the SPP Offer, you agree to submit to the exclusive jurisdiction of the courts in Victoria.

## 5 Glossary

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The following definitions apply throughout this Booklet unless the context requires otherwise.

| Term                         | Meaning   |
|------------------------------|---|
| \$                           | Australian dollars.   |
| <b>Application Form</b>      | your personalised application form enclosed with this Booklet.  |
| <b>ASIC</b>                  | Australian Securities and Investments Commission.   |
| <b>ASX</b>                   | ASX Limited (ACN 008 624 691), or the market operated by it, as the context requires.   |
| <b>Beneficiary</b>           | a person on whose behalf a Custodian or nominee is holding Shares at 7.00pm (Sydney time) on the Record Date.                           |
| <b>Carbon Revolution</b>     | Carbon Revolution Limited (ACN 128 274 653).  |
| <b>Closing Date</b>          | 5:00pm (Sydney time) on Wednesday 15 April 2020 (or such other date as Carbon Revolution determines, in its absolute discretion).       |
| <b>Corporations Act</b>      | the <i>Corporations Act 2001</i> (Cth).   |
| <b>Custodian</b>             | a custodian as defined in paragraph 4 of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.                     |
| <b>Custodian Certificate</b> | a certificate complying with paragraph 8(3) of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547.               |
| <b>Directors</b>             | the directors of Carbon Revolution.   |
| <b>Eligible Beneficiary</b>  | a Beneficiary with a registered address in either Australia or New Zealand, provided that such Beneficiary is not in the United States. |

| Term                        | Meaning  |
|-----------------------------|--|
| <b>Eligible Shareholder</b> | a Shareholder who is a registered holder of Shares at 7.00pm (Sydney time) on the Record Date with a registered address in either Australia or New Zealand as shown on the Register. |
| <b>Issue Date</b>           | Wednesday 22 April 2020 (or such other date as Carbon Revolution determines, in its absolute discretion).  |
| <b>Issue Price</b>          | the price per SPP Share as determined under section 4.5 of the Terms and Conditions.   |
| <b>Offer Period</b>         | the period commencing on the Opening Date and ending on the Closing Date.  |
| <b>Opening Date</b>         | Wednesday 25 March 2020.   |
| <b>Placement</b>            | the placement of Shares to institutional investors, announced to ASX on Wednesday 18 March 2020.   |
| <b>Record Date</b>          | 7.00pm (Sydney time) on Tuesday 17 March 2020.   |
| <b>Register</b>             | the register of Shareholders.  |
| <b>Registry</b>             | Link Market Services Limited (ACN 083 214 537).  |
| <b>Share</b>                | a fully paid ordinary share in Carbon Revolution.  |
| <b>Shareholder</b>          | a registered holder of a Share.  |
| <b>SPP</b>                  | the Share Purchase Plan offer made to Eligible Shareholders under the terms of this Booklet.   |
| <b>SPP Offer</b>            | the offer in section 4.1 of the Terms and Conditions.  |
| <b>U.S. Securities Act</b>  | the U.S. Securities Act of 1933, as amended.   |