

Sparc Technologies Completes Placement to Raise \$3.5M

HIGHLIGHTS

- ▶ Firm commitments received for A\$3.5M share placement (before costs) at A\$0.65 per share
- ▶ The Company remains funded to cover costs associated with the acceleration of the Sparc Hydrogen Pilot Plant and R&D programs in the Graphene division

Sparc Technologies Limited (ASX: SPN) (Sparc, Sparc Technologies or the Company) is pleased to announce it has received firm commitments from sophisticated and other professional investors to raise A\$3.5M (before costs) through a Share Placement (**Placement**). The Placement was strongly supported by existing and new institutional and high net worth investors.

Sparc Technologies Executive Chairman, Stephen Hunt commented:

"Sparc is very pleased to have received strong support from investors which we see as a vote of confidence for the green hydrogen technology and graphene products Sparc is advancing.

In particular, the capital raise puts Sparc in a solid financial position to pursue the fast tracking of the photocatalytic hydrogen pilot plant together with the Sparc Hydrogen JV partners, Fortescue Future Industries and The University of Adelaide."

Capital Raising Details

Sparc has received binding commitments for a Placement to sophisticated and professional investors, comprising 5,384,616 new fully paid ordinary shares (**New Shares**) in the Company (the **Placement**) at an issue price of 65 cents (A\$0.65) to raise \$3.5M (before costs). An applicable Appendix 3B pertaining to this Placement follows this announcement.

Participants in the Placement will receive one free attaching unlisted option for every two shares subscribed for under the Placement. The options will be unlisted, have an exercise price of A\$1.00 and exercisable on or before 30 November 2024 (**Attaching Options**).

The Placement was conducted by Canaccord Genuity as lead managers and within the Company's placement capacity under ASX Listing Rule 7.1 (2,692,308 options) and 7.1A (5,384,616 shares). Settlement of the Placement is expected to occur on 8 November 2022, with Placement shares expected to be allotted (pursuant to Listing Rules 7.1 and 7.1A) and to commence trading on 9 November 2022. An Appendix 2A confirming the exact allotments will be issued on the same date.



The Capital Raising price of A\$0.65 (65 cents) per New Share represents:

- 13.3% discount to the last traded price on Friday 28 October 2022 (A\$0.75)
- 14.4% discount to the 5 day VWAP price (A\$0.76)
- 17.4% discount to the 10 day VWAP price (A\$0.79)

Proceeds from the Placement will be used for:

- Sparc Hydrogen JV – costs associated with scoping the acceleration of the pilot plant which aims to validate the commercial potential of Sparc Green Hydrogen technology and production process;
- Graphene - R&D programs to support product development; and
- General working capital.

-ENDS-

Authorised for release by: Stephen Hunt, Executive Chairman.

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About Sparc Technologies

Sparc Technologies Limited (ASX: SPN) is an Australian company pioneering new technologies to disrupt and transform industry while seeking to deliver a more sustainable world. Sparc Technologies has established offices in Europe and North America.

Graphene, a major focus for Sparc Technologies, is a 2-dimensional material made of carbon atoms arranged in a hexagonal lattice which creates unique and powerful properties that can be imparted on products to improve performance. Sparc Technologies is commercialising graphene in a number of applications including Graphene Based Additives for the Marine & Protective Coatings market along with applications in the renewable energy and construction materials sectors.

Sparc Technologies, via its majority interest in Sparc Hydrogen, is also focussed on developing photocatalytic green hydrogen technology that does not require solar and/or wind farms, nor electrolyzers as with conventional green hydrogen processes.



ANNEXURE 1

TERMS OF OPTIONS

Options the subject of the Placement have the following terms:

- (a) Each Option entitles the holder to acquire one fully paid ordinary share (Share) in the capital of the Company. All Options will be unlisted.
- (b) The exercise price is \$1.00 (one dollar) (Exercise Price) per Option.
- (c) Each Option is exercisable at any time prior to 5:00pm Melbourne time on 30 November 2024 (Expiry Date).
- (d) Options may be exercised by providing written notice together with payment for the number of Shares in respect of which Options are exercised to the registered office of the Company.
- (e) Any Option that has not been exercised prior to the Expiry Date or cancelled in accordance with these terms shall automatically lapse.
- (f) An Option shall not be able to be exercised (and the Company will not be required to issue Shares upon such exercise) if it would be unlawful to do so.
- (g) The Exercise Price is payable in full upon exercise of Options.
- (h) The Options are transferable.
- (i) All Shares issued upon exercise of Options will rank pari passu in all respect with, and have the same terms as, the Company's then issued fully paid ordinary shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of Options, subject to any restriction obligations imposed by ASX and the Company being listed on ASX at the relevant time. The Options will not give any right to participate in dividends until shares are issued pursuant to the terms of the relevant Options.
- (j) There are no participation rights or entitlements inherent in the Options. Option holders are not entitled to participate in new issues of securities offers to shareholders without first exercising the Option. Prior to the Expiry Date and if required by the ASX Listing Rules, the Company will send notices to option holders in accordance with the time limits required by the ASX Listing Rules in respect of offers of securities made to shareholders.
- (k) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company prior to the Expiry Date, the number of Options or the exercise price of the Options or both shall be reconstructed in accordance with the ASX Listing Rules applying to a reorganisation of capital at the time of the reconstruction.
- (l) Options will otherwise have the terms as required by ASX and the ASX Listing Rules.

