



10 December 2024

ASX ANNOUNCEMENT

Non-Renounceable Rights Issue to Raise up to \$2.7m to fund expansion and development

Highlights

- Evion to undertake a Non-Renounceable Rights issue ("Rights Issue") to existing shareholders to raise up to approximately \$2.7m on the timetable outlined below
- Proceeds from the Rights Issue will be used to:
 - Contribute Evion's 50% share of capital to double the production profile at the operating Panthera JV in India;
 - Fund continued development in Madagascar as we complete various projects in anticipation of the granting of mine development permits;
 - Ongoing studies for our development of a battery anode material plant; and
 - general working capital.
- The 1 for 3 Rights Issue is to raise up to \$2.7m (before costs of the issue) is priced at \$0.023 per Share, representing a discount of:
 - 20.7% to the last traded price of 0.029;
 - 24.6% to the 15 day VWAP of \$0.03; and
 - 28.5% to the 30 day VWAP of \$0.032
- The Rights issue is offered to existing shareholders, allowing eligible shareholders to maintain their pro-rata shareholding in the Company, and will also allow shareholders to apply for surplus should there be shortfall shares available
- The Rights issue is not underwritten, and the Company's directors intend to take up their entitlement
- A separate bonus loyalty option offer to shareholders which will be considered by the Board following the completion of the Rights Issue

The Board of Evion Group NL (ASX: EVG) ("Evion" or the "Company") is pleased to announce that it is to undertake a Rights Issue to existing supportive shareholders as a priority to raise up to approximately \$2.7m before costs.

The Rights Issue will be undertaken via an offer document which has been prepared in accordance with section 708AA of the Corporations Act ("Offer Document").

In light of the difficult equity market for the graphite sector and EV metals sectors more generally, the Company believes a discounted pro-rata offer to shareholders is the most effective manner to fund its continued growth and development as we enter this exciting new phase of our production growth in India, and completion of necessary permits in Madagascar to be granted mine development licenses.

Mr David Round, Company Managing Director commented –

"The success of our Indian JV production facility has attracted a significant amount of global interest and we will now move into an expansion phase to capitalise on the growing demand for expandable graphite to fuel the growing EV, infrastructure and tactical applications industry.

As one of the only graphite producers listed on the ASX and with strong operating margins demonstrated by production to date, we see significant cashflow for investors from doubling the production capacity at the Panthera JV in India.

Additionally, we have made great progress in the last 6 months as we near completion of our community development plan in Madagascar for our flagship Maniry Project. This near term approvals milestone is expected to be the impetus for Evion to be granted a mine development license and then move on the funding and development planning phase.

We believe this Rights Issue is the best way to fund our development and growth and we look forward to the ongoing support from our shareholders"

Key Terms

Nature of Offer	Pro-rata Non-Renounceable Rights Issue
New Share issue price	\$0.023
Rights issue ratio	1 new share for every 3 existing shares at the Record Date
Maximum Number of Shares to be issued	Up to 117,118,458 New Shares
Maximum Amount to be Raised under the Rights Issue	Up the \$2,693,725 (before issue costs)

Shareholders who are eligible with a registered address within Australia and New Zealand who hold ordinary shares in the Company ("existing shares") as at 5pm (WST) on 13 December 2024 ("Eligible Shareholders") will be eligible to participate in the Rights Issue.

Eligible overseas shareholders holding shares through a nominee should contact their nominee to ensure they can participate.

All Eligible Shareholders will be offered 1 New Share in the Company for every 3 Existing Shares held by the Eligible Shareholders, as an issue price of \$0.023 per New Share. This represents a discount of approximately 24.6% to the volume weighted average price (VWAP) of the Company's shares for the 15 trading days before the announcement and a discount of approximately 20.7% to the VWAP to the closing share price on 6 December 2024.

The Company will seek to place the shortfall to the extent that the Right Issue is not fully subscribed. To the extent that this shortfall is not taken up by existing shareholders, the Company will seek to place the shortfall with new investors.

Any shortfall shares issued to new investors will be issued pursuant to the Company's capacity under ASX Listing Rule 7.1.

Indicative timetable

Company Announces Rights Issue and lodgement of Appendix 3B	Pre-market opening Tuesday, 10 December 2024
Lodgement of Offer Document and s708AA Cleansing Notice with ASX	Pre-market opening Tuesday, 10 December 2024
Ex date	Thursday, 12 December 2024
Record date for determining entitlement	Friday, 13 December 2024
Offer Opening Date, Offer Document sent out to Eligible Shareholders and Company announces this has been completed	Tuesday, 17 December 2024
Last day to extend Closing Date (before noon AEDT)	Tuesday, 14 January 2025
Closing date	Friday, 17 January 2025
Announcement of results of the Offer	Friday, 24 January 2025
Issue date and lodgement of Appendix 2A with ASX applying for quotation of the New Shares	Friday, 24 January 2025
Quotation of New Shares issued under the Offer	Tuesday, 28 January 2025

Following the completion of the Rights Issue, the Board of Directors will consider the separate issue of loyalty options to shareholders which may be issued some time after completion of the Rights Issue. The Company anticipates that a further announcement about the loyalty option issue will be made sometime after 20 January 2025.

This announcement has been authorised by the Board of Evion Group NL

Contact

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For more information – <https://eviongroup.com>