



18 August 2021

LPE Raises \$6 million via a Placement

Highlights:

- \$6m raised via a high demand placement to sophisticated and institutional investors
- Funds raised to support customer growth and the roll out of shared solar
- Strong participation from existing shareholders and the Company's Chairman
- Refinancing and restructuring of debt facility currently underway

Locality Planning Energy Holdings Limited (ASX: LPE) (the “**Company**” or “**LPE**”), is pleased to announce that it has received firm commitments to raise \$6 million (before costs) by way of a Placement to new and existing sophisticated and institutional shareholders. The Company will issue thirty (30) million fully paid ordinary shares at \$0.20 (20 cents) per share (the “**Shares**”) together with a free attaching one (1) for two (2) option with an exercise price of \$0.30 (30 cents), and an expiry two years from the date of issue (the “**Options**”) (“**Placement**”). The Company will seek to list the Options on the ASX having met the specific spread requirements.

The Placement was very well supported with total bids received exceeding the original raise target. The Company is excited to welcome new shareholders to the registry, with strong support also received from existing shareholders as the Company continues to execute on its growth strategy. The funds raised from the Placement will be applied towards the roll out of the Company's shared solar product, billing system upgrades to increase customer experience and reduce costs to serve, working capital and costs of the offer.

The Shares are proposed to be issued in two tranches. Tranche one will consist of the issue of 15,720,000 Shares to new and existing professional, sophisticated, and other exempt investors to raise \$3.144 million. The Shares will be issued within the Company's existing 15% placement capacity under ASX Listing Rule 7.1 and 10% placement capacity under ASX Listing Rule 7.1A totaling 9,432,710 Shares and 6,287,289 Shares, respectively. It is expected that the shares under tranche one of the Placement will be issued on 24 August 2021.

Tranche two will be subject to shareholder approval with participation by an associated entity of the Company's Chairman, Justin Pettett, subscribing for \$200,000 of the Placement, demonstrating managements strong support for the Company. Other existing majority shareholders subscribed for a further 14,280,000 Shares to raise an additional \$2.856 million together with the issue of fifteen (15) million Options to investors in the Placement. The general meeting of Shareholders to seek approval for the Placement and other approvals will be called soon.

The Placement was arranged and supported by Fresh Equities Pty Ltd and PAC Partners Securities Pty Ltd (the “**Joint Lead Managers**”), who provided cornerstone bids for the Placement. Fees associated with the Placement include a 2% management fee on the total amount raised, plus a 4% selling fee on the total amount raised from investors introduced by the Joint Lead Managers who participate in the Placement. The Joint Lead Managers will also receive 1,666,667 Options each (3,333,334 Options in total) for fully subscribing the Placement.

Commenting on the Placement LPE Chairman, Justin Pettett, said: “The Company would like to thank existing shareholders for their ongoing support, with significant initial bids received for the capital raise under a chairmans list. I also welcome new professional, sophisticated and institutional investors to the register and I would like to thank the teams at PAC Partners and Fresh Equities for their continued support. The LPE team worked hard through FY21 to reduce costs and build efficiencies during a challenging time. The current 2022 financial year will be a year of investment into our internal processes and functions to enable growth and operational leverage in the coming years. A pivotal milestone



in the Company will be the accelerated deployment of our shared solar product to strata communities. This is a unique product offering being exclusively made available throughout Queensland and New South Wales by the Company in its partnership with Allume Energy.”

Refinancing and restructuring of debt facility

The Company has begun the process of refinancing and restructuring its debt facility, to include the provision of AEMO prudential requirements and credit support requirements for its wholesale electricity hedging counterparties, as well as additional funding availability for the Company’s shared solar product.

With the Placement now complete the focus of the Company is on the restructure of its debt facility. While the restructure is underway, funds raised under the Placement will be used to support customer growth and the roll out of its shared solar product.

Authorised by the Board.

For further information:

Jane Morgan

Investor and Media Relations

jm@janemorganmanagement.com.au

+61 405 555 618

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About LPE

LPE is a fast-growing electricity provider challenging the way customers receive their electricity; going beyond being just a traditional supplier, leaders in innovation, supporting strata communities to think of tomorrow. With first to market technology, LPE has delivered shared solar for apartment living and carbon neutral centralised hot water systems, creating shareholder value through long term supply agreements that provide strong recurring revenue.

LPE service the Queensland and New South Wales energy market, selling electricity, hot water, solar and battery systems to homes, business, and strata communities. Providing strata communities, the solution to reduce their carbon footprint and energy bills with no upfront cost. Empowering people to save money and create sustainable communities of the future.

For more information visit: localityenergy.com.au/investors