

# Carbonxt Group Limited

ACN 097 247 464

## Prospectus

For a non-renounceable pro-rata entitlement offer to Eligible Shareholders of 1 New Share for every 11 Shares held at the Record Date at an Offer Price of \$0.15 per New Share with, 1 free attaching New Option for every 2 New Shares issued (**Offer**), including a Top-Up Facility on the terms set out in Section 2.12.

The Offer is partially underwritten (up to the amount of \$1,000,000) by the Underwriter on the terms set out in Section 2.13.

**This Prospectus is a transaction-specific prospectus issued in accordance with section 713 of the *Corporations Act 2001* (Cth). This document is important. Carefully read this Prospectus in full and consult your licensed financial adviser, accountant, stockbroker, lawyer or other professional adviser if you are in any doubt as to what to do.**

**The Securities offered by this Prospectus should be considered highly speculative.**



## Important Information

This Prospectus is an important document and requires your prompt attention. You should read it carefully. It is important that you consider the risk factors (see Sections 1.3 and 4) before deciding on your course of action as these could affect the financial performance of Carbonxt Group Limited ACN 097 247 464 (ASX: CG1) (**Company**).

### Lodgement

This Prospectus is dated 21 May 2021 and a copy of this Prospectus was lodged with ASIC on that date.

Neither ASX nor ASIC takes any responsibility for the contents of this Prospectus. The fact that the Company is admitted to the official list of the ASX and the fact that the New Securities may be granted Official Quotation by the ASX are not to be taken in any way as an indication of the merits of the Company or the New Securities offered under this Prospectus.

### Expiry date

No New Securities will be issued on the basis of this Prospectus later than 13 months after the date of issue of this Prospectus. New Securities offered pursuant to this Prospectus will be issued on the Terms of the Offer.

### Representations

No person is authorised to give any information or make any representations in connection with the Offer other than as contained in this Prospectus. Any information or representation in connection with the Offer not contained in this Prospectus is not, and may not be relied on as having been, authorised by the Company (or any of its officers).

### Forward looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, Directors and management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 4 of this Prospectus.

### Disclaimer

This Prospectus contains general information only, and does not take into account the individual investment objectives, financial situation or particular needs of any person. Nothing in this Prospectus should be construed as a recommendation by the Company or any other person concerning an investment in the Company. You should read the entire Prospectus and, in particular, in considering the prospects for the Company, you should consider the risk factors that could affect the financial performance of the Company. You should carefully consider these factors in light of your personal circumstances (including financial and taxation issues), and if you are in any doubt as to what to do in relation to the Offer, you should seek professional advice from a licensed financial adviser, accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest in the Company.

### Electronic Prospectus

This Prospectus may be viewed by Eligible Shareholders online at [www.carbonxt.com.au](http://www.carbonxt.com.au). The website and its contents do not form part of this Prospectus and are not to be interpreted as part of, nor incorporated into, this Prospectus. Eligible Shareholders who receive the electronic version of this Prospectus should ensure that they download and read the entire Prospectus.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus, or any of those documents were incomplete or altered.

**Ineligible Foreign Shareholders**

This Prospectus, and any accompanying Application Form, do not, and is not intended to, constitute an offer of New Securities in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus or the New Securities under the Offer.

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law.

The Company believes that it is unreasonable to extend the Offer to any Shareholder with a registered address outside Australia or New Zealand.

For further information on Ineligible Foreign Shareholders, please refer to Section 2.4.

**Defined terms and Glossary**

Certain capitalised words and expressions used in this Prospectus are defined in the Glossary as set out in Section 6.

**Financial amounts**

Financial amounts in this Prospectus are expressed in Australian dollars unless otherwise stated. Any discrepancies between totals and sums of components in tables contained in this Prospectus are due to rounding.

**Photographs and diagrams**

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

**Privacy**

The Company collects information about each Applicant provided on an Application for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Application, each Applicant agrees that the Company may use the information provided by that Applicant on that Application for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to the ASX, ASIC and other regulatory authorities.

If an Applicant becomes a security holder of the Company, the Corporations Act requires the Company to include information about the security holder (name, address and details of the securities held) in its public register. This information must remain in the register even if that person ceases to be a security holder of the Company. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Application, the Company may not be able to accept or process your Application.

An Applicant has a right to gain access to the information that the Company and the Share Registry holds about that person subject to certain exemptions under law. Access requests must be made in writing to the Company.

**Table of Contents**

Important Information	2
Important Dates and Key Offer Statistics	5
Chairman's Letter	7
1. Investment Overview	9
2. Details of the Offer	13
3. Purpose and effect of the Offer on the Company	19
4. Risk Factors	25
5. Additional Information	32
6. Glossary	40
Corporate Directory	42

## Important Dates and Key Offer Statistics

### IMPORTANT DATES:

Lodgement of Prospectus with ASIC and announcement of Offer	Friday, 21 May 2021
Existing Shares quoted 'ex' rights	Tuesday, 25 May 2021
Record Date	7.00pm (Sydney time) on Wednesday, 26 May 2021
Opening date of the Offer	Friday, 28 May 2021
Closing Date of the Offer	5.00pm (Sydney time) on Wednesday, 16 June 2021
New Securities expected to be quoted on a deferred settlement basis	Thursday, 17 June 2021
ASX Announcement of results of the Offer	Friday, 18 June 2021
Allotment of New Securities (including Shortfall Securities) pursuant to the Offer	Tuesday, 22 June 2021
New Securities allotted pursuant to the Offer expected to commence trading on ASX on a normal basis	Wednesday, 23 June 2021
Despatch of holding statements	Thursday, 24 Friday 2021

#### **Dates may change**

The above dates are subject to change and are indicative only. The Company reserves the right to vary the dates and times of the Offer, including to close the Offer early, extend the Offer or accept late Applications, without notifying any recipient of this Prospectus or any Applicants, subject to the Corporations Act, the ASX Listing Rules and other applicable laws.

### KEY OFFER STATISTICS:

Offer Price for each New Share	\$0.15
Eligible Shareholders' Entitlement	1 New Share for every 11 Shares held on the Record Date

Number of Shares on issue as at the date of this Prospectus	150,819,775
Maximum number of New Shares to be issued under the Offer <sup>1</sup>	13,710,889
Total number of Shares on issue after completion of the Offer <sup>1</sup>	164,530,664
Total number of Shares on issue after completion of the Offer on a fully diluted basis <sup>2</sup>	187,427,778

Basis on which New Options are offered	1 New Option for every 2 New Shares issued
Issue price for each New Option	\$nil
Exercise Price for each New Option	\$0.24
Expiry date of New Options	Wednesday, 21 June 2023

Number of Options on issue as at the date of this Prospectus	6,875,000
Maximum number of New Options to be issued under the Offer <sup>1</sup>	6,855,444
Total number of Options on issue after completion of the Offer <sup>1</sup>	13,730,444

Approximate maximum Offer proceeds	\$2.06 million before expenses
------------------------------------	--------------------------------

#### **NOTES:**

1. Assuming the Offer is fully subscribed and no other Shares or Options are issued between the date of this Prospectus and completion of the Offer.
2. Assuming the Offer is fully subscribed, no other Shares or Options are issued between the date of this Prospectus and completion of the Offer and all Options and warrants on issue are exercised immediately following completion of the Offer.

#### **QUESTIONS:**

Please contact the Company Secretary on 02 9290 9600 or [company.secretary@boardroomlimited.com.au](mailto:company.secretary@boardroomlimited.com.au) from 9.00am to 5.00pm (Sydney time) Monday to Friday, if you have any questions about this Prospectus. If you are in any doubt as to what to do in relation to the Offer, you should seek professional advice from a licensed financial adviser, accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest in the Company.

**Chairman's Letter**

21 May 2021

Dear Investor,

On behalf of the Directors of Carbonxt Group Limited (ACN 097 247 464) (ASX: CG1) (**Company**), I am pleased to announce that the Company is implementing a non-renounceable pro-rata entitlement offer (**Rights Issue**).

The offer is for 1 New Share for every 11 existing Shares held at an offer price \$0.15 per New Share. It is anticipated that up to 13,710,889 New Shares may be issued pursuant to this Prospectus, which would raise approximately \$2.06 million.

In addition to this, for every 2 New Shares issued, the Company will issue one free attaching New Option with an exercise price of \$0.24 exercisable on or before Wednesday, 21 June 2023, being 24 months from the issue date.

The purpose of the Offer under this Prospectus is to support the development of Activated Carbon pellets and to fund general working capital.

Eligible Shareholders may apply for additional New Securities in excess of their Entitlements under the Top-Up Facility on the terms set out in Section 2.12.

The Offer is partially underwritten to the amount of \$1,000,000 by the Underwriter on the terms set out in Section 2.13.

We have recently completed an institutional placement and the Offer under this Prospectus is designed to give our shareholders the opportunity to participate on the same terms as those investors in the recent placement.

Participation in the Offer is entirely voluntary. If you decide to participate, you will receive New Securities in accordance with the terms set out in this Prospectus. Alternatively, you may do nothing and thereby retain your current level of shareholding, however, your percentage shareholding in the Company will be diluted. The level of change in your percentage shareholding will depend on the take up of Entitlements, the number of New Securities issued under the Top-Up Facility and the number of Shortfall Securities issued to the Underwriter.

Under the Rights Issue, Shareholders are able to purchase New Shares (with free attaching New Options) and, on exercise of those New Options, additional fully paid ordinary shares in the Company (ranking equally with existing fully paid ordinary shares) without brokerage costs.

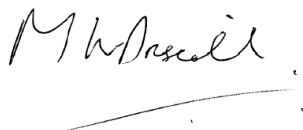
The right to participate in the Rights Issue is only available to investors who are registered as shareholders of fully paid ordinary shares in the Company at 7.00pm (Sydney time) on Wednesday, 26 May 2021 and have registered addresses in Australia or New Zealand.

The Rights Issue is non-renounceable and will open on Friday, 28 May 2021 and will close at 5.00pm (Sydney time) on Wednesday, 16 June 2021.

The terms and conditions of the Offer are contained in this Prospectus. Please read this Prospectus (including the risk factors in Sections 1.3 and 4) carefully and in its entirety.

On behalf of the Directors, I invite you to consider this opportunity to increase your investment in the Company.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M Driscoll', with a long horizontal flourish extending to the right.

Matthew Driscoll  
Chairman  
Carbonxt Group Limited



## 1 Investment Overview

The information in this Section 1 is a summary only. It should be read in conjunction with the information in the remainder of this Prospectus.

### 1.1 Key features of the Offer

<b>Renounceable Rights Issue</b>	A non-renounceable pro-rata entitlement offer to Eligible Shareholders of 1 New Share for every 11 Shares held at the Record Date at an Offer Price of \$0.15 per New Share, with 1 free attaching New Option for every 2 New Share issued.								
<b>Top-Up Facility</b>	Eligible Shareholders may apply for additional New Securities in excess of their Entitlements under the Top-Up Facility on the terms set out in Section 2.12.								
<b>Partially underwritten</b>	The Offer is partially underwritten to the amount of \$1,000,000 by the Underwriter on the terms set out in Section 2.13.								
<b>Purpose</b>	The purpose of the Offer is to support the development of Activated Carbon pellets and to fund general working capital.								
<b>Use of funds</b>	<p>The Company's present intention is to use the funds raised under the Offer (from payment of the Offer Price) as follows:</p> <table border="1"> <tr> <td>Development of Activated Carbon pellets</td><td>\$1,250,000</td></tr> <tr> <td>Expenses of the Offer</td><td>\$129,920</td></tr> <tr> <td>Working capital</td><td>\$676,713</td></tr> <tr> <td><b>Total</b></td><td><b>\$2,056,633</b></td></tr> </table> <p>At this stage, the Company intends to apply funds raised from payment of the Exercise Price towards the development of Activated Carbon pellets and for general working capital purposes.</p> <p>There is no minimum amount sought to be raised by the Offer and the New Securities may be issued in respect of Applications irrespective of the total level of subscriptions made. There is no guarantee that the Offer will raise an adequate or sufficient level of funds to enable the Company to achieve its stated objectives.</p>	Development of Activated Carbon pellets	\$1,250,000	Expenses of the Offer	\$129,920	Working capital	\$676,713	<b>Total</b>	<b>\$2,056,633</b>
Development of Activated Carbon pellets	\$1,250,000								
Expenses of the Offer	\$129,920								
Working capital	\$676,713								
<b>Total</b>	<b>\$2,056,633</b>								
<b>Closing Date</b>	5.00pm (Sydney time) on Wednesday, 16 June 2021. This date is indicative only and is subject to change.								

### 1.2 Investment highlights

The Directors of the Company are of the view that an investment in the Company provides the following non-exhaustive list of key highlights:

- (a) The Company develops, manufactures, and markets proprietary Activated Carbon products, which are used to eliminate mercury and other toxic pollutants from industrial flue gas and wastewater streams and other industrial emissions.
- (b) The Company produces patented Activated Carbon products in two forms: non-brominated powders and pellets:
  - (i) Activated Carbon powder products are used by coal-fired power plants to achieve emissions compliance; and

- (ii) Activated Carbon pellet products have a wide range of industrial applications including: filtration, heavy manufacturing, and wastewater treatment.
- (c) The Company has significant internal R&D capability given its track record of multiple first-of-a-kind developments and commercialisations including two recent public grants, being the Helix Award and Florida Red Tide Mitigation and Technology Development Initiative.
- (d) The Company operates three facilities in the US with a fourth facility to commence construction in the near term:
  - (i) **Black Birch** - 10,000t p.a. capacity manufacturing facility in Georgia producing powdered Activated Carbon;
  - (ii) **Arden Hills** - 7,000t p.a. capacity manufacturing facility in Minnesota producing Activated Carbon pellets;
  - (iii) **Kentucky** – 5,000t p.a. capacity manufacturing facility to be constructed in Kentucky producing Activated Carbon pellets; and
  - (iv) **Gainesville** - R&D facility in Florida,

where sales are primarily made to other Activated Carbon companies who do not produce pellets, large operators of coal-fired power stations, cement plants, and other industrial processes.
- (e) As mentioned in (d) above, the Company expects to commence construction of a new Activated Carbon pellet facility in Kentucky. This involves the following:
  - (i) Completion of a new 5,000 ton per annum pellet facility in Kentucky is expected in 2QFY22. The facility will be 100% funded by the counterparty and will improve gross margins and eliminate working capital requirements of the Company for industrial pellets (see below). At full production, the Company expects additional revenue of approximately \$20 million and profit margins of 20-30%.
  - (ii) A contract for this plant has been agreed, subject to a condition precedent to obtain a construction permit. The permit is expected to be granted within 4-6 weeks and construction to then commence immediately. All design works have been completed and the majority of equipment has been sourced by the counterparty.
  - (iii) As the completion of the new pellet facility is now imminent, the decision has been made to defer further production of CTC (commodity or industrial pellets) until operations begin at the Kentucky facility. Market conditions for the manufacturing of this product have worsened due to rapidly increasing costs for key imported ingredients, onerous pre-payment terms and lengthening delivery timetables predominantly because of the effect of COVID-19 on international shipping and manufacturing. None of these factors will impact the production from the new Kentucky facility.

### 1.3 Key risks

The business, assets and operations of Carbonxt will be subject to certain risk factors that have the potential to influence the operating and financial performance of Carbonxt in the future. These risks can impact on the value of an investment in the Securities of the Company.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which they can effectively be managed or mitigated may be limited.

Set out below are key risks that Carbonxt is and will be exposed to. Further risks associated with an investment in the Company are outlined in Section 4.

The key risks are as follows:

(a) Additional capital requirements

As Carbonxt's business grows and new customers are acquired, Carbonxt may require additional funding to support its growth.

(b) Ability to retain existing clients or attract new clients

Carbonxt's business depends on its ability to retain existing customers, together with its ability to attract further business from existing customers or attract new customers.

The loss of existing customers or the inability to attract new customers would have an adverse impact on the financial position of Carbonxt.

(c) Regulatory risk

Carbonxt is heavily reliant on US environmental policies and regulation. One of the Carbonxt's primary market opportunities results from the US Environmental Protection Agency's (**EPA**) Mercury Air Toxic Standards regulations that came into force in April 2016 to tightly regulate the emission of mercury released through the burning of coal. Any change to, or reversal of, current Mercury Air Toxic Standards legislation would have a significant negative effect on Carbonxt's business model and financial performance.

(d) Intellectual property risk

Carbonxt relies heavily on its technology and know-how and there can be no assurance that competitors of Carbonxt or other parties will not seek to imitate or develop technology and know-how that competes with Carbonxt or supersedes the Carbonxt's technology. The unauthorised use or disclosure of its intellectual property may have an adverse effect on the operating, marketing and financial performance of Carbonxt which could erode Carbonxt's competitive advantage. Carbonxt cannot be certain that others will not independently develop the same or similar technologies on their own or gain access to trade secrets or disclose such technology, or that Carbonxt will be able to meaningfully protect its trade secrets and unpatented know-how and keep them secret. Carbonxt's patent portfolio includes an exclusive license to a granted patent pursuant to a license agreement. There is an inherent risk with any licensed technology that the license may be terminated in accordance with its terms or the patent invalidated by a third party.

(e) Reliance on key personnel

Carbonxt currently employs, or engages as consultants, several key management and scientific personnel. The Company's success is dependent upon a number of highly qualified and experienced personnel and a stable workforce. The inability to attract and retain the necessary technical and managerial personnel could have a material and adverse effect upon Carbonxt's business, operations and financial condition.

(f) Competitive & dynamic market

Carbonxt operates in a changing market for Activated Carbon primarily driven by EPA regulations. This emerging market may provide existing or new competitors with stimulus to increase competitive pressure through technological advancements, volume increases or pricing and other strategies. Any significant advancements in technology for producing Activated Carbon or for competitors to develop the technology to manufacture effective Activated Carbon pellets in the US have the potential to change the competitive environment in which Carbonxt intends to operate.

(g) Offshore operations

The Company is listed in Australia, but for the foreseeable future will have its manufacturing, research and development, and marketing efforts located in the US. The Company has operated in the US for some time and the majority of its employees are located in the US.

(h) Safety and industrial accidents

The production of Carbonxt's products is subject to safety related risks, which is being managed carefully by Carbonxt. Despite the relevant safety guards there is no guarantee a serious accident will not occur in the future. A serious accident may negatively affect the financial performance and/or financial position of Carbonxt.

(i) Exchange rate risk

Carbonxt is exposed to movements in exchange rates. Financial statements are maintained in Australian dollars however for the foreseeable future the vast majority of Carbonxt's revenue and expenses will be denominated in US dollars. Adverse movements in the AUD/USD exchange rate may have an adverse effect on the financial performance and/ or financial position of Carbonxt.

(j) Brand establishment and maintenance

Carbonxt believes that establishing and maintaining its brand in the industry is critical to growing its proposed customer base and product acceptance. This will depend largely on the effectiveness of its products and processes. Carbonxt must also maintain and support its existing customer relationships to maintain its brand and attract further customers. Prior to entering into supply agreements, Carbonxt is required to undertake vigorous testing of its Activated Carbon solutions. If these tests are unsuccessful, Carbonxt's brand, its business and operating results could be adversely affected.

Refer to Section 4 for further details.

The above list of risk factors ought not to be taken as exhaustive of the risks faced by Carbonxt and you should refer to the additional risk factors in Section 4 of this Prospectus before deciding whether to apply for Securities pursuant to this Prospectus.

**You should read this Prospectus carefully and in its entirety, including Section 4, before deciding whether to apply for New Securities. If you are in doubt as to the course you should follow, you should consult your licensed financial adviser, accountant, stockbroker, lawyer or other professional adviser. The Securities offered by this Prospectus should be considered highly speculative.**

## 2 Details of the Offer

### 2.1 The Offer

The Company is undertaking a non-renounceable pro-rata entitlement offer to Eligible Shareholders of 1 New Share for every 11 Shares held at the Record Date at an Offer Price of \$0.15 per New Share, with 1 free attaching New Option for every 2 New Shares issued.

Under the Rights Issue, up to 13,710,889 New Shares and 6,855,444 New Options will be offered. Eligible Shareholders who take up their full Entitlement may also participate in the Top-Up Facility by applying for additional New Shares in excess of their Entitlement on the terms set out in Section 2.12.

If fully subscribed, the Offer will raise up to approximately \$2.06 million before Offer costs.

Entitlements to New Shares and New Options under the Rights Issue will be rounded down to the nearest whole number.

The Entitlement of each Eligible Shareholder under the Rights Issue is shown on the personalised Application Form accompanying this Prospectus. If you are an Eligible Shareholder and did not receive your personalised Application Form, please call the Share Registry on 1300 737 760 (within Australia) or 02 9290 9600 (outside Australia).

### 2.2 Offer Price and Exercise Price

The Offer Price is \$0.15 per New Share. No offer price is payable for each New Option. The Exercise Price for each New Option is \$0.24 per New Option.

### 2.3 Eligible Shareholders

The Rights Issue is offered only to registered holders of Shares at the Record Date, and only those Eligible Shareholders are offered an Entitlement.

Shareholders who were not recorded on the Register at the Record Date are not eligible to participate in the Rights Issue.

An Eligible Shareholder is a person who, at the Record Date, is recorded on the Register as holding Shares and has a registered address on the Register in Australia or New Zealand.

### 2.4 Ineligible Foreign Shareholders

This Prospectus, and any accompanying Application Form, do not, and is not intended to, constitute an offer of New Securities in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus or the New Securities under the Offer.

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law.

The Company believes that it is unreasonable to extend the Offer to Ineligible Foreign Shareholders. The Company has formed this view having considered:

- (a) the number and value of the New Securities that would be offered to those Shareholders; and
- (b) the cost of complying with the legal requirements and the requirements of regulatory authorities in the overseas jurisdictions.

Accordingly, Ineligible Foreign Shareholders will not be entitled to participate in the Offer.

## 2.5 New Zealand offer restrictions

The New Securities are not being offered to be sold to the public within New Zealand other than existing Shareholders with registered addresses in New Zealand at the Record Date.

### Warning statement

- (a) This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act and regulations made under the Corporations Act. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.
- (b) This Offer and the content of this Prospectus are principally governed by Australian rather than New Zealand law. How the offer must be is mainly governed the Corporations Act and the regulations made under the Corporations Act.
- (c) There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.
- (d) The rights, remedies, and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies, and compensation arrangements for New Zealand financial products.
- (e) Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.
- (f) The taxation treatment of Australian financial products is not the same as for New Zealand financial products.
- (g) If you are uncertain about whether this investment is appropriate for you, you should seek the advice of a financial advice provider.

### Additional warning statement: currency exchange risk

- (a) This Offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.
- (b) If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

### Additional warning statement: trading on financial product market

If the financial products are able to be traded on a financial product market and you wish to trade the financial products through that market, you will have to make arrangements for a participant in that market to sell the financial products on your behalf. If the financial product market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the financial products and trading may differ from financial product markets that operate in New Zealand.

## 2.6 Non-renounceable

The Rights Issue is non-renounceable.

## 2.7 How to accept the Offer

If you are an Eligible Shareholder, an Application Form accompanies this Prospectus.

The number of New Securities to which you are entitled as an Eligible Shareholder is shown on your accompanying Application Form. Acceptance of your Entitlement may be for any number of New Securities and you may also participate in the Top-Up Facility in addition to your Entitlement.

(a) Taking up all of your Entitlement

If you wish to take up all of your Entitlement, complete the accompanying Application Form for New Securities in accordance with the instructions set out in that form.

You should then forward your completed Application Form together with your Application Payment in accordance with Section 2.7(e).

(b) Taking up all your Entitlement and applying for additional New Securities by participating in the Top-Up Facility

Eligible Shareholders may, in addition to taking up all their Entitlements, apply for additional New Securities by participating in the Top-Up Facility as described in Section 2.12.

One payment should be made for the Application Payment for your Entitlement and the number of additional New Securities you wish to apply for as stated on the Application Form.

(c) Taking up part of your Entitlement and allowing the balance to lapse

If you wish to take up part of your Entitlement and allow the balance to lapse, complete the accompanying Application Form for the number of New Securities you wish to take up and follow the steps required in accordance with Section 2.7(a). If you take no further action, the balance of your Entitlement will lapse.

(d) Allow all or part of your Entitlement to lapse

If you do not wish to take up all or any part of your Entitlement, you do not need to take any further action. If you take no action, your Entitlement will automatically lapse and your percentage shareholding in the Company will be diluted accordingly.

(e) Payment

**Pay by BPAY®<sup>1</sup>**

If you wish to pay by BPAY, you do not need to return your Application Form. Refer to the section titled "Payment Instructions" on the Application Form for further details.

Payment must be received via BPAY before the Closing Date, which is currently 5.00pm (Sydney time) on Wednesday, 16 June 2021. By paying by BPAY you will be deemed to have completed an Application Form for the number of New Securities that your Application Payment equates to.

Please make sure to use the specific Biller Code and unique Customer Reference Number on your Application Form. If you received more than one personalised Application Form, you will need to complete individual BPAY transactions using the "Customer Reference Number" specific to each individual personalised Application Form that you receive. If you are an Eligible Shareholder and you inadvertently use the same "Customer Reference Number" for more than one of your Entitlements, you will be deemed to have applied for only your Entitlement to which that "Customer Reference Number" applies and any excess amount will be treated as an Application for New Securities under the Top-Up Facility.

---

<sup>1</sup> Registered to BPAY Pty Limited ABN 69 079 137 518 – Eligible Shareholders based in New Zealand cannot apply using Bpay unless they have an Australian bank account.

**Pay by electronic funds transfer**

Eligible Shareholders located in New Zealand may remit their Application Payment by electronic funds transfer. If you wish to pay by electronic funds transfer, you will need to contact the Share Registry on 1300 737 760 (within Australia) or 02 9290 9600 (outside Australia) for remittance advice.

Payment must be received via electronic funds transfer before the Closing Date, which is currently 5.00pm (Sydney time) on Wednesday, 16 June 2021.

**Pay by cheque**

If you wish to pay by cheque, complete the accompanying Application Form in accordance with the instructions set out in the form. Cheques must be in Australian currency only, made payable to "Carbonxt Group Limited" and crossed "Not Negotiable". Applicants must not forward cash. Receipts for payment will not be issued.

The Application Form, together with Application Payment, should be sent by post using the enclosed reply paid envelope to the Share Registry, to arrive no later than the Closing Date, which is currently 5.00pm (Sydney time) on Wednesday, 16 June 2021.

**General**

If you wish to make payment using an alternate method please call the Share Registry on 1300 737 760 (within Australia) or 02 9290 9600 (outside Australia) for assistance.

By either returning the Application Form with payment or making payment received by BPAY you provide authorisation to be registered as a holder of New Securities subscribed for by you and agree to be bound by the Company's constitution and the Terms of the Offer.

Application Forms and/or Application Payments received after the Closing Date may not be accepted, subject to the Directors' absolute discretion.

**2.8 Application is binding**

Receipt of Application Payment by BPAY, or of Application Payment by cheque / electronic funds transfer and a completed and lodged Application Form, constitutes a binding acceptance of the Company's Offer of New Securities on the Terms of the Offer and an acknowledgement by the Applicant that it has received and read this Prospectus, it has acted in accordance with the Terms of the Offer, and that it agrees to all of the Terms of the Offer.

Each Application, once lodged, cannot be withdrawn.

The Application does not need to be signed to be binding. If an Application Form is not completed correctly or if there is a discrepancy between the Application Payment made and the Application Form submitted, the Company, in its absolute discretion, can reject the Application or treat it as valid, whether in whole or in part. The Company's decision as to whether to accept or reject an Application (in whole or in part) or how to interpret an incorrectly completed Application Form is final.

**2.9 Application Payment**

The Company is entitled to retain any interest paid on any Application Payment, whether or not allotment and issue of the New Securities takes place. If quotation of the New Shares is not granted by the ASX within the time required by law, no New Securities will be allotted and Application Payments will be refunded to Applicants without interest within the time prescribed under the Corporations Act.

**2.10 Closing Date**

Your completed Application Form and payment must reach the Share Registry no later than the Closing Date, which is currently 5.00pm (Sydney time) on Wednesday, 16 June 2021.



The Company reserves the right, subject to the Corporations Act, the ASX Listing Rules and any requirements of the ASX, to accept late Applications or to extend the Closing Date without prior notice.

If the Closing Date is varied, subsequent dates may also be varied accordingly. Unless the Company decides to accept late Applications or extend the Closing Date, Applications received after 5.00pm (Sydney time) on Wednesday, 16 June 2021 be rejected and those Application Payments refunded without interest.

## 2.11 **Brokerage, commission and stamp duty**

No brokerage, commission or stamp duty is payable by Applicants under the Offer.

## 2.12 **Top-Up Facility**

Eligible Shareholders may apply for additional New Securities in excess of their Entitlements at the same price as under the Rights Issue (**Top-Up Facility**).

Eligible Shareholders wishing to subscribe for New Securities under the Top-Up Facility must apply for them at the same time as they apply for New Securities under their Entitlements by completing the Application Form in accordance with the instructions set out in that form.

The Company may treat amounts it receives in excess of the Offer Price multiplied by your Entitlement as an Application to apply for as many additional New Securities under the Top-Up Facility as will be paid in full from the excess amounts.

The Company cannot guarantee that all Eligible Shareholders will receive the number of New Securities applied for, as Applications under the Top-Up Facility will only be satisfied to the extent there is a shortfall under the Offer. Should such applications exceed the number of New Securities available, the Directors propose to scale back such applications on a pro-rata equal basis. If an Eligible Shareholder does not receive any or all of the New Securities applied for, the excess Application Payments will be returned to the Eligible Shareholder without interest.

No New Securities will be issued to a party under the Top-Up Facility if the effect would be to increase that party's voting power in the Company to an amount greater than 19.99%.

## 2.13 **Offer partially underwritten**

Any New Securities offered under the Rights Issue (including under the Top-Up Facility) that are not taken up by Eligible Shareholders will form the Shortfall Securities.

Subject to the terms and conditions of the Underwriting Agreement (for further information see Section 5.4), the Shortfall Securities are partially underwritten by Chaleyer Holdings Pty Ltd (**Underwriter**) to the amount of \$1,000,000 (**Underwritten Amount**).

Subject to the terms of the Underwriting Agreement, if:

- (a) no applications are received for the New Securities under the Rights Issue (including under the Top-Up Facility), the Underwriter will be required to subscribe for the amount of New Shares and New Options offered under the Rights Issue up to the Underwritten Amount;
- (b) applications are received for New Securities under the Rights Issue (including under the Top-Up Facility), but the Shortfall Securities represent the same amount as or more than the Underwritten Amount, the Underwriters will be required to subscribe for the amount of New Shares and New Options offered under the Rights Issue up to the Underwritten Amount; or
- (c) subscriptions are received for New Securities under the Rights Issue (including under the Top-Up Facility), but the Shortfall Securities represent less than the Underwritten Amount, the Underwriter will be required to subscribe for all Shortfall Securities.

## 2.14 Allotment of New Securities and Official Quotation of New Options

Allotment and issue of New Securities will only be made once the Application Payments have been received and the ASX has granted permission for quotation of the New Shares.

If such permission is granted, it is expected the New Securities will be allotted pursuant to the Offer on Tuesday, 22 June 2021 and holding statements for such New Securities will be despatched on Thursday, 24 June 2021.

In the event that the Company receives sufficient applications to meet the requirements for quotation of a second class of securities under the ASX Listing Rules, the Company will make application for Official Quotation of the New Options offered pursuant to the Offer in accordance with the timetable set out on page 5 of this Prospectus. If ASX does not grant Official Quotation of the New Options offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of this Prospectus (or such period as varied by ASIC), the New Options will remain on issue as unquoted Options.

The fact that ASX may grant Official Quotation to the Options is not to be taken in any way as an indication of the merits of the Company or the Options offered pursuant to this Prospectus.

It is the responsibility of Applicants to determine their allocation of New Securities prior to trading in the New Securities. Applicants who sell New Securities before they receive their holding statement do so at their own risk.

## 2.15 CHESS

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of New Securities. If an Applicant is broker sponsored, a CHESS statement will be issued to that Applicant which sets out the number of New Securities issued under this Prospectus, provides details of the Applicant's holder identification number and the participant identification number of the sponsor. If an Applicant is registered in the Company's issuer sponsored sub register, its statement will be despatched by the Share Registry and will contain the number of New Securities issued to it under this Prospectus and its security holder reference number.

## 2.16 Risks

**Investors should carefully read the risk factors in Sections 1.3 and 4 of this Prospectus. An investment in New Securities involves various risks, a number of which are specific to the Carbonxt and the industry in which it operates.**

**An investment in New Securities should be regarded as highly speculative.**

## 2.17 Taxation

It is the responsibility of all Applicants to satisfy themselves of the particular tax consequences that apply to them, by consulting their own professional financial and taxation advisers. Neither the Carbonxt nor any of its officers, employees or agents, nor its taxation or other advisers accepts any liability or responsibility in respect of taxation consequences connected with the Offer.

## 2.18 Professional advice

If you are in any doubt as to what to do in relation to the Offer, you should seek professional advice from a licensed financial adviser, accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest in the Company.

### 3 Purpose and effect of the Offer on the Company

#### 3.1 Purpose of the Offer

The purpose of the Offer is to support the development of Activated Carbon pellets and to fund general working capital.

#### 3.2 Use of funds

If the Offer is fully subscribed, the Company's present intention is to use the funds raised under the Offer (from payment of the Offer Price) as follows:

Development of Activated Carbon pellets	\$1,250,000.00
Expenses of the Offer	\$129,920
Working capital	\$676,713
<b>Total</b>	<b>\$2,056,633</b>

At this stage, the Company intends to apply funds raised from payment of the Exercise Price for the development of its Activated Carbon pellets and for working capital purposes.

This is a statement of present intention only. The Company and the Directors reserve the right to change the way and the proportion in which funds are applied, particularly if the Offer is not fully subscribed or if not all of the New Options are exercised.

There is no minimum subscription under the Offer and no guarantee that the Offer will raise an adequate or sufficient level of funds to enable the Company to achieve its stated objectives.

#### 3.3 Effect on capital structure of the Company

The table below sets out the effect of the Offer on the capital structure of the Company, assuming that:

- (a) the Offer is fully subscribed; and
- (b) no other Shares or Options are issued between the date of this Prospectus and completion of the Offer.

	Number	%
<b><u>Shares</u></b>		
Existing Shares on issue at the date of this Prospectus	150,819,775	91.67%
PLUS: New Shares	13,710,889	8.33%
<b>Total</b>	<b>164,530,664</b>	<b>100%</b>
<b><u>Options</u></b>		
Existing unlisted Options on issue as at the date of this Prospectus	6,875,000	50.07%
PLUS: New Options	6,855,444	49.93%

<b>Total</b>	<b>13,730,444</b>	<b>100.00%</b>
<b><u>Warrants</u></b>		
<b>Existing warrants on issue as at the date of this Prospectus</b>	9,166,670	100.00%

The capital structure on a fully diluted basis as at the date of this Prospectus would be 166,861,445 Shares (assuming all Options and warrants on issue are exercised) and on completion of the Offer (assuming all New Securities are taken up and all Options and warrants on issue are exercised) would be 187,427,778 Shares.

The Company's actual position on completion of the Offer may differ from the position illustrated in the pro-forma capital structure table above if the Offer is not fully subscribed.

If the Offer is not fully subscribed, fewer New Securities will be issued (and, consequently, fewer Shares which could be issued on exercise of those New Options) than shown in the table above. After the Closing Date, the Company will announce to the ASX the actual number of New Securities to be issued under the Offer.

### 3.4 Effect on shareholdings

#### (a) General

If an Eligible Shareholder takes up its full Entitlement, then it will not be diluted. If an Eligible Shareholder does not take up its full Entitlement, then it will be diluted. Shareholders who are not Eligible Shareholders will have their shareholdings diluted by the Offer.

The effect of the Offer on the control of the Company will depend upon a number of factors, including:

- (i) the level of Shareholder participation in the Offer;
- (ii) which Shareholders participate;
- (iii) the extent to which New Options are exercised; and
- (iv) the number of Shortfall Securities issued to the Underwriter.

As the New Options do not confer any voting rights on their holders, the issue of the New Options under the Offer will, of itself, have no effect on the control of the Company. However, the issue of Shares on the exercise of New Options could have an effect on the control of the Company.

If every Eligible Shareholder was to take up its full Entitlement and exercised its New Options at the same time, there would be a minimal effect on the control of the Company, as the Rights Issue is made pro-rata.

#### (b) Substantial holdings

A "substantial holding" is defined under section 9 of the Corporations Act to mean a relevant interest in 5% or more of the voting shares in a company. The table below sets out the Shareholder with a substantial holding based on the Company's register of Shareholders as at the date of this Prospectus.

<b>Shareholder</b>	<b>Shareholding at Record Date</b>	
	<b>Number</b>	<b>%</b>
National Nominees Limited	14,303,680	9.48%

#### (c) Illustration of dilutive effect

Shareholders who do not participate in the Offer will have their Shareholding diluted.

The table below illustrates the dilutive effect assuming that:

- (i) each example Shareholder does not take up its Entitlement;
- (ii) each example Shareholder's Entitlement is subscribed for under the Top-Up Facility or by the Underwriter;
- (iii) the Offer is fully subscribed;
- (iv) no New Options or existing Options or warrants are exercised; and
- (v) no Shares or Options are issued other than pursuant to the Offer between the date of this Prospectus and completion of the Offer.

Example Shareholder	Shareholding at Record Date		Entitlement to New Shares	Shareholding as at completion of the Offer if the example Shareholder does not take up its Entitlement	
	Number	%		Number	%
1	40,000,000	26.52%	40,000,000	40,000,000	24.31%
2	20,000,000	13.26%	20,000,000	20,000,000	12.16%
3	10,000,000	6.63%	10,000,000	10,000,000	6.08%
4	5,000,000	3.32%	5,000,000	5,000,000	3.04%

### 3.5 Effect on control of the Company

As at the date of this Prospectus, the Underwriter holds 2,500,000 Shares in the Company, representing 1.66% of the total issued capital in the Company on an undiluted basis. As the Underwriter is likely to be an Eligible Shareholder, it will be eligible to participate in the Rights Issue and the Top-Up Facility in addition to being able to subscribe for New Securities in accordance with the Underwriting Agreement.

Even if the Underwriter subscribes for all New Securities offered pursuant this Prospectus, its voting power in the Company will not exceed 20% both on an undiluted basis and on a diluted basis (assuming that the Underwriter exercises all New Options offered pursuant to this Prospectus upon completion of the Offer), which is illustrated in the table below:

	Number of Securities	
Existing Shares held by the Underwriter	2,500,000	
New Shares acquired by the Underwriter pursuant to the Prospectus	13,710,899	
New Options acquired by the Underwriter pursuant to the Prospectus	6,855,444	
	Number of Securities	%
<b><u>On an undiluted basis</u></b>		
Shares held by the Underwriter upon completion of the Offer	16,210,889	9.85%
Total Shares on issue upon completion of the Offer	164,530,664	100%
<b><u>On a diluted basis</u></b>		
Shares held by the Underwriter upon completion of the Offer	23,066,333	13.46%

<b>Total Shares on issue upon completion of the Offer</b>	171,386,108	100%
---	-------------	------

Based on current shareholding and Entitlements of Shareholders (including substantial Shareholders) as at the date of this Prospectus, regardless of the amount raised under the Offer, no Shareholder will increase their holding, to an amount in excess of 19.99% through applying for their Entitlements. Also, as set out in Section 2.12, no person will acquire a voting power that exceeds 19.99% through participation in the Top-Up Facility.

Further there is no change to any Shareholder's voting power as a result of the issue of New Options. Where New Options are exercised into Shares, the voting power of the Shareholder who exercised the New Options will increase. The likelihood of New Options being exercised is dependent on the price of the Shares from time to time until the New Options expire.

### 3.6 Prohibition on exceeding 20% voting power threshold

New Option holders must have regard to and comply with the takeovers prohibition in section 606 of the Corporations Act (that is, the 20% voting power threshold) (**Section 606**), when exercising New Options granted under this Prospectus.

The Company expressly disclaims any responsibility for ensuring that New Option holders do not breach Section 606 as a result of the exercise of the New Options.

If New Option holders may be at risk of breaching Section 606 as a result of the exercise of New Options, the choices available to them include:

- (a) selling their New Options off market or on market if ASX grants Official Quotation of the New Options;
- (b) selling some or all of their Shares prior to exercising any New Options held by them; or
- (c) relying on another exemption from the takeovers prohibition in section 611 of the Corporations Act (such as the 3% creep exemption in item 9 of that section).

If a New Option holder may be at risk of exceeding the 20% voting power threshold in Section 606 or increasing their voting power from a position above 20% as a result of the acquisition of Shares following exercise of New Options, New Option holders should seek professional advice before exercising New Options.

### 3.7 Effect on financial position of the Company

Set out below is the:

- (a) audited balance sheet of the Company as at 30 June 2020 and reviewed balance sheet at 31 December 2020; and
- (b) unaudited pro forma balance sheet of the Company as at 31 December 2020 incorporating the effect of the Offer, assuming that all New Securities were taken up.

The unaudited pro forma balance sheet has been derived from the reviewed financial statements of the Company, for the six months ended 31 December 2020, and adjusted to reflect pro forma assets and liabilities of the Company as if completion of the Offer had occurred by 31 December 2020, and also for material adjustments noted below.

The pro forma balance sheet has been adjusted for the following material movements in the assets and liabilities of the Company between 31 December 2020 and the date of this Prospectus:

- (c) a placement to issue 18,750,000 Shares at \$0.16 each, to sophisticated and professional investors to raise \$3,000,000 (before costs);
- (d) the issue of 2,200,000 Shares at deemed issue price of \$0.16 each, to a counterparty of an agreement in relation to the early termination of that agreement; and

- (e) a placement to issue 9,000,000 Shares at \$0.15 each, to institutional and sophisticated investors to raise \$1,350,000 (before costs).

In addition, an allowance has not been made for expenditure incurred in the normal course of business from 31 December 2020 to the date of this Prospectus.

The pro-forma information is presented in an abbreviated form. It does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

	30-Jun-20 \$	31-Dec-20 \$	Pro-forma 31-Dec-20 \$
<b><u>Assets</u></b>			
<b>Current assets</b>			
Cash and cash equivalent	312,765	1,786,236	6,136,236
Trade and other receivables	1,247,605	1,302,485	1,302,485
Inventories	3,153,094	1,965,960	1,965,960
Other	435,651	916,817	916,817
<b>Total current assets</b>	<b>5,149,115</b>	<b>5,971,498</b>	<b>10,321,498</b>
<b>Non-current assets</b>			
Plant and equipment	6,512,104	5,687,042	5,687,042
Right-of-use assets	4,549,826	4,405,665	4,405,665
Intangibles	3,594,149	4,039,986	4,039,986
<b>Total non-current assets</b>	<b>14,656,079</b>	<b>14,132,693</b>	<b>14,132,693</b>
<b>Total assets</b>	<b>19,805,194</b>	<b>20,104,191</b>	<b>24,454,191</b>
<b><u>Liabilities</u></b>			
<b>Current liabilities</b>			
Trade and other payables	3,142,123	3,451,226	3,099,226
Borrowings	88,333	4,746,908	4,746,908
Lease liabilities	1,055,700	1,230,959	1,230,959
Royalty payable	62,158	75,363	75,363
Employee benefits	124,374	162,387	162,387
<b>Total current liabilities</b>	<b>4,472,688</b>	<b>9,666,843</b>	<b>9,314,843</b>
<b>Non-current liabilities</b>			
Borrowings	4,491,545	-	-
Lease liabilities	2,199,266	1,857,678	1,857,678
Royalty payable	1,819,750	970,545	970,545
<b>Total non-current liabilities</b>	<b>8,510,561</b>	<b>2,828,223</b>	<b>2,828,223</b>
<b>Total liabilities</b>	<b>12,983,249</b>	<b>12,495,066</b>	<b>12,143,066</b>
<b>Net assets</b>	<b>6,821,945</b>	<b>7,609,125</b>	<b>12,311,125</b>

<b><u>Equity</u></b>			
Issued capital	69,391,218	73,926,168	78,628,168
Reserves	15,615,468	14,411,941	14,411,941
Accumulated losses	(78,184,741)	(80,728,984)	(80,728,984)
<b>Total equity</b>	<b>6,821,945</b>	<b>7,609,125</b>	<b>12,311,125</b>



## 4 Risk Factors

### 4.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Securities and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Carbonxt's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this Section, or other risk factors, may have a material impact on the financial performance of the Carbonxt and the market price of the Shares and the value of the New Options.

The following is not intended to be an exhaustive list of the risk factors to which the Carbonxt is exposed. The types of risks the Carbonxt is exposed to can change over time and vary with changes in economic, technological, environmental and regulatory conditions both generally within the retail industry and within the e-Commerce and internet sector specifically.

### 4.2 Risks specific to Carbonxt

#### (a) Additional capital requirements

As Carbonxt's business grows and new customers are acquired, Carbonxt will require additional funding to support its growth. Although capital raised under the Offer would allow Carbonxt to continue its operations until the foreseeable future, Carbonxt may require additional funding. The Company has limited financial resources at this point and may need to raise additional funds from time to time in certain circumstances. The Company's ability to raise funds will be subject to factors beyond the control of the Company and its Directors including cyclical factors affecting the economy and financial and share markets generally. If the Company raises funds by issuing Shares (as its present intention), the issue of Shares will dilute ownership of Shareholders.

#### (b) Ability to retain existing clients and attract new clients

Carbonxt's business depends on its ability to retain existing customers, together with its ability to attract further business from existing customers or attract new customers.

Whilst Carbonxt endeavours to enter into long term contracts with utilities for the supply of its products, Carbonxt does not generally require customers to enter long, fixed term contracts requiring minimum product supply or minimum time commitments. There is a risk that customers reduce their usage of Carbonxt's products in the future, or do not renew contracts upon their expiry.

The loss of existing customers or the inability to attract new customers would have an adverse impact on the financial position of Carbonxt.

#### (c) Regulatory risk

Carbonxt is heavily reliant on US environmental policies and regulation. One of Carbonxt's primary market opportunities results from EPA's Mercury Air Toxic Standards regulations that came into force in April 2016 to tightly regulate the emission of mercury released through the burning of coal. Any change to or reversal of current Mercury Air Toxic Standards legislation would have a significant negative effect on Carbonxt's business model and financial performance.

#### (d) Intellectual property risk

Carbonxt relies heavily on its technology and know-how and there can be no assurance that competitors of Carbonxt or other parties will not seek to imitate or develop technology and know-how that competes with Carbonxt or supersedes Carbonxt's technology. The unauthorised use or disclosure of its intellectual property may have an adverse effect on the operating, marketing and financial performance of Carbonxt which could erode Carbonxt's competitive advantage. Carbonxt cannot be certain that others will not independently develop the same or similar technologies on their own or gain access to trade secrets or disclose such technology, or that Carbonxt will be able to meaningfully protect its trade secrets and unpatented know-how and keep them secret. There is an inherent risk with any licensed technology that the license may be terminated in accordance with its terms or the patent invalidated by a third party.

Certain employment and consultancy agreements with key executives do not contain provisions with respect to the assignment of existing and future intellectual property rights in inventions or designs, among other things.

#### *Patent rights*

The Company relies on its ability to obtain and maintain adequate and valid patent protection of its products and to operate without infringing on the proprietary rights of third parties or having third parties circumvent Carbonxt's rights.

Carbon's patent portfolio comprises seven current US granted patents and eleven patent applications pending, two in Australia and four in Canada. While the Directors believe that Carbonxt's current patent applications will be successful, no guarantee can be given that such protection will be successfully and validly obtained by Carbonxt, nor does the grant of a patent guarantee that the patent concerned is valid or that the patented technology does not infringe the rights of others. If the patents are not granted, it may be possible for a third party to imitate or otherwise obtain and use Carbonxt's technology without authorisation or to develop and use similar technology independently. While Carbonxt believes it has taken appropriate steps to protect its proprietary technology, the law may not adequately protect it in all places that Carbonxt does business, or enable Carbonxt's rights to be enforced with any adequacy.

#### *Trade secrets*

In addition to its patent and licensing activities, Carbonxt also regards its trade secrets, trademarks, domain names and similar intellectual property as important to its success. The measures that Carbonxt employs to protect its intellectual property rights may not always be sufficient to protect its trade secrets. The unauthorised use or disclosure of its intellectual property may have an adverse effect on the operating, marketing and financial performance of Carbonxt which could erode Carbonxt's competitive advantage.

Carbonxt cannot be certain that others will not independently develop the same or similar technologies on their own or gain access to trade secrets or disclose such technology, or that Carbonxt will be able to meaningfully protect its trade secrets and unpatented know-how and keep them secret.

#### *Infringement of Company or third party intellectual property rights*

The Company is not aware of any material violation or infringement of its trademarks and the intellectual property rights of others. However, there can be no assurance that in the future, Carbonxt will not inadvertently infringe the intellectual property rights of others, or be subjected to infringement claims or litigation arising out of patents and pending applications of its competitors, or additional proceedings initiated by third parties or the United States Patent and Trademark Office (**USPTO**) to re-examine the patentability of licenses or owned patents. Although no litigation is current or threatened by or against Carbonxt, in the future litigation may be necessary to enforce Carbonxt's issued patents, licences, to protect its trade secrets and know-how, or to determine the enforceability, scope and validity of the proprietary rights of others.

The defence and prosecution of intellectual property suits, USPTO proceedings, and related legal and administrative proceedings are expensive and time consuming and may divert valuable resources from and disrupt the conduct of its business. Further, Carbonxt

may not be successful in its infringement claims which will lead to a drain on its financial resources. Adverse determinations in such litigation could result in loss of proprietary rights or subject Carbonxt to significant liabilities, which could impact upon Carbonxt's financial performance.

(e) Reliance on key personnel

The Company currently employs, or engages as consultants, several key management and scientific personnel. The Company's success is dependent upon a number of highly qualified and experienced personnel and a stable workforce. In particular, the senior management team has accumulated a significant number of years' experience. The Company's future will be dependent upon the continued performance, efforts, abilities and expertise of its key management personnel. While Carbonxt has in place long term service contracts, there can be no assurance that Carbonxt will be able to retain its key personnel or attract other suitably qualified personnel in the future, if required. Certain contracts with key executives of Carbonxt do not contain standard intellectual property assignment provisions or provisions regarding the protection of confidential information. There is a risk that Carbonxt's intellectual property is not protected under these contracts. The inability to attract and retain the necessary technical and managerial personnel could have a material and adverse effect upon Carbonxt's business, results of operations and financial condition.

(f) Competitive & dynamic market

The Company operates in a changing market for Activated Carbon primarily driven by the US EPA regulations. This emerging market may provide existing or new competitors with stimulus to increase competitive pressure through technological advancements, volume increases or pricing and other strategies. Any significant advancements in technology for producing Activated Carbon have the potential to change the competitive environment in which Carbonxt intends to operate.

The entry of additional competitors in the Activated Carbon market could result in reduced operating margins and loss of market share. Such occurrences could adversely affect Carbonxt's operating and financial performance. Additionally, there is also a risk that a competitor could develop similar or more advanced technology or develop and market new products in a way that creates extensive competition for Carbonxt. Where this occurs, it could increase Carbonxt's research and development costs, decrease the value of its products and reduce the future profitability of Carbonxt.

In addition to the above, changes to tariffs, quotas and other regulations dealing with import tariffs could have a material adverse effect on the competitiveness of Carbonxt's product.

(g) Offshore operations

The Company is listed in Australia, but for the foreseeable future will have its manufacturing, research and development, and marketing efforts located in the US. The Company has operated in the US for some time and the majority of its employees are located in the US.

Given the global nature of the coal-fired generation business and the United Nations initiatives in respect of mercury capture, Carbonxt's activities may in the future extend to other countries. Geographic diversity adds risk to the ability of Carbonxt to manage its operations and employees. As a result, Carbonxt is also subject to risks relating to the general economic, regulatory, legal, social and political environment in the jurisdictions in which it intends to operate.

Accordingly, Carbonxt's business, financial conditions and results of operations could be materially adversely affected by factors specific to investing in these jurisdictions. The Directors intend to obtain all necessary formal sign-offs prior to commencement of operations in any foreign jurisdiction to ensure compliance with local laws and are not aware of any legal impediments to the conduct of business in any jurisdiction that Carbonxt is likely to operate in as at the date of this Prospectus.

(h) Safety and industrial accidents

The production of Carbonxt's products is subject to safety related risks, which is being managed carefully by Carbonxt. Despite the relevant safety guards there is no guarantee a serious accident will not occur in the future. A serious accident may negatively affect the financial performance and/or financial position of Carbonxt.

(i) Exchange rate risk

The Company is exposed to movements in exchange rates. Financial statements are maintained in Australian dollars however for the foreseeable future the vast majority of Carbonxt's revenue and expenses will be denominated in US dollars. Adverse movements in the AUD/USD exchange rate may have an adverse effect on the financial performance and/ or financial position of The Company. The Directors will implement foreign exchange hedging policies for Carbonxt as considered.

(j) Brand establishment and maintenance

The Company believes that establishing and maintaining its brand in the industry is critical to growing its proposed customer base and product acceptance. This will depend largely on the effectiveness of its products and processes. The Company must also maintain and support its existing customer relationships to maintain its brand and attract further customers. As noted earlier, prior to entering into supply agreements, Carbonxt is required to undertake vigorous testing of its Activated Carbon solutions. If these tests are unsuccessful, Carbonxt's brand, its business and operating results could be adversely affected.

(k) Product liability and uninsured risks

The Company is exposed to potential product liability risks, which are inherent in the research and development, manufacturing, marketing and use of its products or products that are developed in the future.

Whilst Carbonxt has liability insurance to help manage such risks, Carbonxt may not be able to maintain insurance for product or service liability on reasonable terms in the future and, or Carbonxt's insurance may not be sufficient to cover large claims, or the insurer could disclaim coverage on claims.

Although Carbonxt endeavours to work to rigorous standards, there is still the potential for its products to contain defects that may result in damage to customers' systems in turn causing a financial or reputational loss. For Carbonxt, these defects or problems could result in the loss of or delay in generating revenue, loss of market share, failure to achieve market acceptance, injury to Carbonxt's reputation or increased insurance costs. If Carbonxt fails to meet its customers' expectations, Carbonxt's reputation could suffer and it could be liable for damages.

The Company gives no assurance that all such risks will be adequately managed through its insurance policies to ensure that such loss does not have an adverse effect on its performance.

#### 4.3 Risks associated with the Offer

(a) Value of New Options

The New Options that are issued as part of the Offer are issued for nil issue price and require the Exercise Price of \$0.24 per New Option to be paid at the time of exercise. If the prevailing trading price of Shares is lower than the Exercise Price, then it is likely that the New Options will not be exercised. In this case, for investors, the unexercised New Options will not have value and will lapse on the expiry date of the New Options.

If the New Options are not exercised, or only some of the New Options are exercised, then Carbonxt may not receive the proceeds that would otherwise be generated if New Option holders pay the Exercise Price. This possibility may reduce the amount of capital

that Carbonxt would receive if all of the New Options are exercised on or before the expiry date of the New Options.

(b) Liquidity

The market for Shares may be illiquid.

The Company will seek Official Quotation of the New Options, subject to satisfying the quotation conditions of the ASX Listing Rules. Even if ASX grants Official Quotation of the New Options, the market for the Options may be illiquid. If ASX does not grant Official Quotation of the New Options, the New Options will not be listed on ASX, and therefore will not be trading on a liquid market.

#### 4.4 General risk factors

The future operations of Carbonxt may be affected by a range of factors, including the below general risk factors.

(a) General equity market risks

There can be no certainty that, following listing, an active market in the Shares will develop. In addition, Shares may trade on the ASX at a discount or premium to the Offer Price. The price at which Shares trade on the ASX may be affected by a number of factors, including the financial and operating performance of Carbonxt and external factors over which Carbonxt and its Directors have no control.

These external factors include actual, expected and perceived general economic conditions, changes in government policy or regulation, significant events such as natural disasters or acts of terrorism, investor attitudes, changes in taxation, movements in interest rates, movements in stock markets, and general conditions in the markets in which Carbonxt will operate.

In addition, investors should consider the historical volatility of Australian and overseas share markets.

(b) General economic conditions

Factors such as inflation, interest rates, levels of tax, taxation law and accounting practices, government legislation or intervention, natural disasters, social upheaval, and war may have an impact on prices, operating costs and market conditions generally. Accordingly, Carbonxt's future revenue and operations can be affected by these factors which are beyond the control of Carbonxt.

Revenue and expenditure of Carbonxt may be affected by changes in international, federal, state, or local government laws, regulations or policies, or in taxation legislation. Government legislation and policies are subject to review and change from time to time. Such changes are likely to be beyond the control of Carbonxt and may affect industry profitability.

Factors beyond the control of the Directors that could affect the revenues and value of Carbonxt include, but are not limited to, inflation, currency fluctuation, interest rates, supply and demand of relevant inputs and outputs and industrial disruption.

(c) Absence of dividends

The ability of Carbonxt to pay any dividend in the future is dependent on many factors including Carbonxt's ability to generate sufficient revenue. Many of the factors that will affect Carbonxt's ability to pay dividends and the timing of those dividends will be outside the control of Carbonxt and its Directors. The Directors cannot give any assurance regarding the payment of dividends in the future.

(d) Geopolitical factors

The Company may be affected by the impact that geopolitical factors have on the world, US or Australian economies or on financial markets and investments generally or specifically, and governmental responses to such activities. These may include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on the demand for Carbonxt's products and the ability of Carbonxt to conduct business. The Company has only a limited ability to insure against some of these risks.

(e) Shareholder dilution

The Company in the future, may wish to elect to issue shares or engage in capital raisings. While Carbonxt will be subject to constraints, Shareholders at the time may be diluted as a result of such issues of shares and capital raisings.

(f) Litigation

In the ordinary course of business, Carbonxt may be involved in litigation disputes from time to time. Litigation disputes brought by third parties including, but not limited to customers, suppliers, business partners, employees and government bodies may adversely impact the financial performance and industry standing of the business, in the case where the impact of legal proceedings is greater than or outside the scope of Carbonxt's insurance. Such litigation could negatively impact the industry standing of Carbonxt, cause Carbonxt to incur unforeseen expenses, occupy a significant amount of Company management's time and attention and could negatively affect Carbonxt's business operations and financial position.

As at the date of the Prospectus, the Directors are not aware of any legal proceedings pending or threatened against or no material legal proceedings affecting Carbonxt.

(g) Force majeure events (including COVID-19 pandemic)

Events may occur within or outside Australia or the US that could impact upon Carbonxt and the value of shares. These events include but are not limited to acts of terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events or occurrences that can have an adverse effect on the demand for Carbonxt's products and its ability to conduct business. The Company only has a limited ability to insure against some of these risks.

In particular, the impact of the COVID-19 pandemic is ongoing and it is not practicable to estimate the potential impact of the pandemic on the Carbonxt's financial performance after the reporting date. The situation is dependent on the efficacy and long term performance of COVID-19 vaccines and measures imposed by the Australian and US governments and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

The Board is monitoring the situation closely and will continue to expenditure levels and the financial position of the Carbonxt and growth opportunities that may be available to the business as a result of the COVID-19 pandemic.

(h) Unforeseen risk

There may be other risks of which the Directors are unaware at the time of issuing this Prospectus which may impact Carbonxt, its operations and/or the valuation and performance of Shares. The above list of key risks ought not to be taken as exhaustive of the risks faced by Carbonxt or by investors in Carbonxt. The above risks and others not specifically referred to above may in the future materially affect Carbonxt, its financial performance or the value of Shares.

#### 4.5 Investment speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Carbonxt or by investors in the Company. The above factors, and others not specifically referred

to above, may in the future materially affect the financial performance of the Carbonxt and the value of the Securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

## 5 Additional Information

### 5.1 Continuous disclosure and inspection of documents

The Company is a disclosing entity for the purpose of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations.

The Company believes that it has complied with the general and specific disclosure requirements of the Corporations Act and ASX Listing Rules, which require the Company to notify the ASX of information about specific events or matters as they arise, for the purpose of the ASX making that information available to the market conducted by the ASX.

This Prospectus is issued under section 713 of the Corporations Act. This section enables disclosing entities to issue a prospectus in relation to securities in a class which has been continuously quoted by the ASX at all times during the 3 months before the date of the Prospectus. Apart from prescribed matters, this Prospectus need only contain information relating to the Terms of the Offer, the effect of the Offer on the Company and the rights and liabilities attaching to the New Securities and the Shares issued on exercise of the New Options. Accordingly, this Prospectus does not contain the same level of disclosure as an initial public offer prospectus.

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.

The Company will make available a copy of each of the following documents, free of charge, to any person who asks for it during the Offer period:

- (a) The annual financial report for the year ended 30 June 2020 (being the annual financial report most recently lodged with ASIC in relation to the Company before the issue of this Prospectus), a copy of which is available at the Company's website [www.carbonxt.com](http://www.carbonxt.com); and
- (b) Any continuous disclosure notices given by the Company after the lodgement with ASIC of the annual financial report referred to at 5.1(a) above and before the lodgement with ASIC of a copy of this Prospectus. These include the following announcements:

Date lodged	Announcement
14/05/2021	Appendix 2A
5/05/2021	Proposed issue of Securities – CG1
3/05/2021	Carbonxt raises \$2.1m for pellet plant expansion
3/05/2021	Trading Halt
30/04/2021	March 2021 Quarterly Activities Report
30/04/2021	Appendix 4C – quarterly
26/02/2021	HY21 Results Announcement
26/02/2021	Half Yearly Report and Accounts
2/02/2021	Expansion of Activated Carbon Pellet Capacity
29/01/2021	December 2020 Quarterly Activities Report
29/01/2021	Appendix 4C - quarterly
18/01/2021	Early Termination of Agreement & Cleansing Notice
18/01/2021	Appendix 2A
18/01/2021	Proposed issue of Securities – CG1
19/11/2020	Change in substantial holding



Date lodged	Announcement
16/11/2020	Cleansing Notice
16/11/2020	Appendix 2A
16/11/2020	Change in substantial holding
16/11/2020	Proposed issue of Securities – CG1
9/11/2020	Carbonxt successfully completes \$3 million capital raising
3/11/2020	Trading Halt
3/11/2020	Pause in Trading
30/10/2020	September 2020 Quarterly Activities Report
30/10/2020	Appendix 3C – quarterly
21/10/2020	Results of Annual General Meeting
21/10/2020	Chairman's Address to Shareholders
18/09/2020	Notice of Annual General Meeting & Proxy Form
14/09/2020	Investor Presentation

This Prospectus contains details specific to the Offer. If Shareholders require any further information in relation to the Company, those Shareholders should take advantage of the ability to inspect or obtain copies of the documents referred to above.

## 5.2 Market price of Shares

The highest and lowest market sale price of the Company's Shares on the ASX during the 3 calendar months immediately preceding the date of issue of this Prospectus and the last market price on the last day of trading before lodgement is set out below:

	Price	Date
<b>Highest</b>	\$0.295	17 February 2021
<b>Lowest</b>	\$0.125	11 May 2021
<b>Last</b>	\$0.130	20 May 2021

## 5.3 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

## 5.4 Material contract – Underwriting Agreement

The Underwriter has agreement to partially underwrite the Offer to \$1,000,000 pursuant to the terms of the underwriting agreement signed by the Underwriter and the Company on 20 May 2021. The Underwriting Agreement contains the following key terms:

- (a) the Underwriter is entitled to an underwriting fee of 6% of the Underwritten Amount, being \$1,000,000;
- (b) subject to certain notice to be performed by the Company, the Underwriter is required to apply and make payment for any New Securities offered under the Rights Issue (including the Top-Up Facility) that did not receive valid Applications, but the number of New Securities to be subscribed for by the Underwriter is capped at 6,666,666 New Shares with 3,333,333 free attaching New Options.

The Underwriting Agreement contains a number of common conditions precedent that the Company must satisfy, such as:

- (c) the Company despatching the Prospectus; and
- (d) the Underwriter receiving a shortfall notice on the notification date.

The Company has made a number of representations and warranties under the Underwriting Agreement which are considered usual for an underwriting agreement, including but not limited to that the New Securities will at the time of their issue be free from all encumbrances, no insolvency event has occurred in respect of the Company or its related body corporate, the Offer complies with the relevant laws including that the Offer complies with the requirements of the Corporations Act, and that the Company has complied with its continuous disclosure requirements.

## 5.5 Rights attaching to Shares (including Shares issued on exercise of the New Options)

The following is a summary of the more significant rights attaching to Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to Shares are set out in the Company's constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

### (a) General meetings

Shareholders are entitled to be present in person, or by proxy or attorney to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act.

### (b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy or attorney;
- (ii) on a show of hands, every person present who is a Shareholder or a representative of a Shareholder has one vote in respect of each Share carrying the right to vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

### (c) Dividend rights

The Directors alone may declare a dividend to be paid to Shareholders. The dividend is payable at a time determined according to the discretion of the Directors. No dividend may be declared or paid except as allowed by the Corporations Act. No interest is payable in respect of unpaid dividends. The Directors may set aside of the Company's profit any amount that they consider appropriate. This amount may be used in any way that profits can be used, and can be invested or used in the Company's business in the interim.

### (d) Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

(e) Shareholder liability

As the New Shares and all Shares issued on exercise of the New Options issued pursuant to the Prospectus will be fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) Transfer of Shares

Generally, Shares are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the ASX Listing Rules.

(g) Variation of rights

Pursuant to section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders, vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(h) Alteration of constitution

The Company's constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

## 5.6 Terms of and rights attaching to New Options

- (a) Entitlement: Subject to and conditional upon any adjustment in accordance with these conditions, each New Option entitles the holder to subscribe for one Share upon exercise of the New Option.
- (b) Exercise Price: Subject to and conditional upon any adjustment in accordance with these conditions, the amount payable upon exercise of each New Option will be \$0.24 per New Option (**Exercise Price**).
- (c) Expiry Date: Each New Option will expire at 5.00pm (Sydney time) on Wednesday, 21 June 2023, being 24 months from the issue date (**Expiry Date**). A New Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) Exercise Period: The New Options are exercisable at any time from the date of their issue until the Expiry Date (**Exercise Period**).
- (e) Notice of Exercise: The New Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each New Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
- (f) Exercise Date: A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each New Option being exercised in cleared funds (**Exercise Date**).
- (g) Timing of issue of Shares on exercise: Within 20 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of New Options specified in the Notice of Exercise and for which the Exercise Price has been received by the Company in cleared funds; and
  - (ii) if admitted to the official list of ASX at the time, apply for Official Quotation of Shares issued pursuant to the exercise of the New Options.
- (h) Shares issued on exercise: Shares issued on exercise of the New Options rank equally with the then issued Shares of the Company.
- (i) Quotation of Shares issued on exercise: If the Company is admitted to the official list of the ASX at the time, application will be made by the Company to the ASX for quotation of the Shares issued upon the exercise of the New Options.
- (j) Quoted: The Company will seek Official Quotation of the New Options, subject to satisfying the quotation conditions of the ASX Listing Rules. If ASX does not grant Official Quotation of the New Options offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of this Prospectus (or such period as varied by ASIC), the New Options will remain on issue as unquoted Options.
- (k) Reconstruction of capital: If at any time the issued capital of the Company is reconstructed, all rights of a holder of New Options are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (l) Participation in new issues: There are no participation rights or entitlements inherent in the New Options and holders of New Options will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the New Options without exercising the New Options.
- (m) Change in exercise price / number of Shares: A New Option does not confer the right to a change in the Exercise Price or a change in the number of underlying securities over which the New Option can be exercised.
- (n) Transferability: The New Options are transferable subject to any restriction or escrow arrangements imposed by the ASX or under applicable Australian securities laws.

## 5.7 Directors' interests

### (a) General

Except as disclosed in this Prospectus, no Director (whether individually or in consequence of that persons association with any company or firm or in any material contract entered into by the Company) has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- (i) the formation or promotion of the Company;
- (ii) any property acquired or proposed to be acquired by the Company in connection with the Company's formation; or
- (iii) the Offer.

In addition, except as set out below or elsewhere in this Prospectus, no benefits of any kind (whether in cash, Shares or otherwise) have been paid or agreed to be paid to any Director to any company or firm with which a Director is associated to induce him to become, or to qualify as, a Director, or otherwise for services rendered by him or his company or firm with which the Director is associated in connection with the formation or the promotion of the Company.

### (b) Interest in Securities

The Directors are not required under the Company's constitution to hold any Shares in the Company.

The following table sets out the relevant interests in Shares and Options held by each Director as at the date of this Prospectus:

Director (including associates)	Shares held directly	Shares held indirectly	Options held (directly and indirectly)
Warren Murphy	Nil	408,562	1,500,000
David Mazyck	426,062	Nil	1,000,000
Matthew Driscoll	Nil	657,447	Nil

**NOTE:** This table does not take into account any New Securities the Directors may acquire under the Offer. Some or all of the Directors may participate to the extent of their Entitlement under the Offer.

The Directors (and their associates) who are Eligible Shareholders are entitled to apply for New Securities in the Offer.

(c) Remuneration

Directors' remuneration for the last 2 years was as follows:

Director	Salary and fees	
	For year ended 30 June 2019	For year ended 30 June 2020
Warren Murphy	\$219,090	\$226,189
David Mazyck	\$596,952	\$602,490
Matthew Driscoll	Nil	\$116,469

Non-executive Directors' fees are determined within an aggregate non-executive Directors' fee pool limit. For the financial year commencing 1 July 2020 and in respect of each financial year thereafter and until otherwise determined by a resolution of Shareholders, the maximum aggregate remuneration payable by the Company to all non-executive Directors of the Company for their services as Directors including their services on a Board committee or sub-committee and including superannuation is limited to \$750,000 per annum (in total).

Directors are entitled to be reimbursed for their reasonable expenses incurred in connection with the affairs of the Company. A Director may also be remunerated as determined by the Directors if that Director performs additional or special duties for the Company. A former director may also receive a retirement benefit of an amount determined by the Directors in recognition of past services, subject to the ASX Listing Rules and the Corporations Act.

(d) Indemnification and Directors & Officers Insurance

The Company has agreed to indemnify the current Directors and certain current executives of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as Directors or officers of the Company, to the extent permitted by law. The indemnity agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

The Company pays a premium to insure Directors and certain officers of the Company and controlled entities. The officers of the Company covered by the insurance policy

include the current Directors and secretary of the Company and its subsidiaries, senior management of the Company and senior management of divisions and controlled entities of the Company. As the insurance policy operates on a claims made basis, former Directors and officers of the Company are also covered.

The liabilities insured include costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company or controlled entities. The insurance policy outlined above does not contain details of premiums paid in respect of individual Directors and officers of the Company. The insurance policy prohibits disclosure of the premium paid.

The Company has not otherwise indemnified or agreed to indemnify an officer of the Company or of any related body corporate against a liability incurred by such officer.

## 5.8 Interests of named persons

Set out below are the benefits that have been or have been agreed to be given to any person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus (together, **Prescribed Persons**).

Except as set out below or elsewhere in this Prospectus, no Prescribed Person holds, or during the last 2 years has held, any interests in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with the Company's formation or the promotion, or the Offer; or
- (c) the Offer.

In addition, except as set out below or elsewhere in this Prospectus, no benefit of any kind, (whether in cash, Shares or otherwise) have been paid or agreed to be paid to a Prescribed Person in connection with the preparation or distribution of the Prospectus for services rendered by that person in connection with the formation or promotion of the Company, or the Offer.

Thomson Geer has acted as the legal advisers to the Company for the purposes of the Offer. For this work, the Company estimates Thomson Geer will receive fees amounting to approximately \$33,000 including GST but excluding disbursements.

Chaleyer Holdings Pty Ltd has acted as the underwriter to the Offer. The fees payable to the Underwriter are set out in Section 5.4.

## 5.9 Consents to be named

Each of the parties referred to in the table below:

- (a) has given and has not, before the lodgement of this Prospectus with ASIC, withdrawn its written consent to be named in the Prospectus in the form and context in which it is named;
- (b) has not, and its affiliates, officers and employees have not, made any statement in the Prospectus or any statement on which a statement made in the Prospectus is based other than those referred to in this Section 5.9;
- (c) does not cause, permit or authorise the issue or lodgement, submission, dispatch or provision of the Prospectus;
- (d) has not authorised or caused the issue of the Prospectus, and makes no representation or warranty, express or implied, as to the fairness, accuracy or completeness of the information contained in the Prospectus; and
- (e) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

Party name	Named as
Chaleyer Holdings Pty Ltd	Underwriter
Thomson Geer	Solicitor to the Company
Boardroom Pty Ltd	Share Registry
Ernst & Young	Auditor

Ernst & Young has consented to be named as Auditor of Carbonxt in this Prospectus and has not withdrawn that consent. For the avoidance of doubt, Ernst & Young was not involved in the preparation of the audited historical balance sheet and consolidated pro-forma balance sheet of Carbonxt set out in Section 3.7.

#### 5.10 Expenses of the Offer

All expenses connected with the Offer are being borne by the Company.

Based on the Offer being fully subscribed and all New Securities issued under this Prospectus are listed, the estimated costs of the Offer, which have been paid or are payable by the Company are as follows:

Expenses of the Offer	Amount including GST
ASIC & ASX fees	\$21,646
Underwriting fee	\$60,000
Legal fees	\$37,274
Registry and company secretarial	\$11,000
<b>TOTAL</b>	<b>\$129,920</b>

#### 5.11 Governing Law

The Offer is governed by the law in force in New South Wales, Australia. By accepting the Offer, each Applicant submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

#### 5.12 Directors' consent to lodgement

This Prospectus is issued by the Company. Each Director has consented to the lodgement of this Prospectus with ASIC as required by section 720 of the Corporations Act.

## 6 Glossary

In this Prospectus, unless the context or subject matter otherwise requires:

<b>Activated Carbon</b>	A form of carbon processed to have small, low-volume pores that increase the surface area available for adsorption or chemical reactions.
<b>Applicant</b>	A person who returns an Application.
<b>Application</b>	An application for New Securities under the Offer.
<b>Application Form</b>	The entitlement and acceptance form attached to this Prospectus.
<b>Application Payment</b>	The payment of the Offer Price under the Offer submitted by an Applicant for the purposes of making an Application.
<b>ASIC</b>	Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited (ACN 008 624 691) or the stock exchange which it operates, as the context requires.
<b>ASX Listing Rules</b>	The official Listing Rules of the ASX.
<b>Australian Accounting Standards</b>	The accounting standards as defined in the Corporations Act.
<b>Board</b>	The board of Directors.
<b>Business Day</b>	Monday to Friday inclusive in Sydney Australia, except New Year's Day, Good Friday, Easter Monday, ANZAC Day, Queen's Birthday, Christmas Day, Boxing Day, and any other day that is not a business day for the purposes of the ASX Listing Rules.
<b>Carbonxt</b>	The group that includes the Company and its subsidiaries, or where the context requires the business conducted by those entities.
<b>CHESS</b>	ASX Clearing House Electronic Sub-registry System.
<b>Closing Date</b>	5.00pm (Sydney time) on Wednesday, 16 June 2021 (unless varied).
<b>Company</b>	Carbonxt Group Limited (ACN 097 247 464).
<b>Company Secretary</b>	The company secretary of the Company.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth) as amended from time to time.
<b>CTC</b>	Carbon tetrachloride.
<b>Directors</b>	The directors of the Company.
<b>Eligible Shareholder</b>	A Shareholder recorded on the Register at the Record Date whose registered address is in Australia or New Zealand.
<b>Entitlement</b>	The right of an Eligible Shareholder to subscribe for New Securities pursuant to the Rights Issue.
<b>EPA</b>	The United States Environmental Protection Agency.
<b>Exercise Date</b>	Meaning given in Section 5.6(f).
<b>Exercise Period</b>	Meaning given in Section 5.6(d).
<b>Exercise Price</b>	The price payable on the exercise of a New Option for one Share under this Prospectus, being \$0.24 per New Option.
<b>Expiry Date</b>	5.00pm (Sydney time) on Wednesday, 21 June 2023.
<b>GST</b>	Has the meaning given to that term in <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth) and includes goods and services tax.



<b>Ineligible Foreign Shareholder</b>	A Shareholder recorded on the Register at the Record Date whose registered address is not in Australia or New Zealand.
<b>Mercury and Air Toxics Standards</b>	The Mercury and Air Toxics Standards (MATS) of the US EPA.
<b>New Option</b>	A new Option offered under this Prospectus.
<b>New Securities</b>	New Shares and/or New Options, as the context requires.
<b>New Share</b>	A new Shares offered under this Prospectus.
<b>Notice of Exercise</b>	Meaning given in Section 5.6(e).
<b>Offer</b>	The offer of New Securities under this Prospectus (including the Rights Issue and the Top-Up Facility), subject to and on the Terms of the Offer.
<b>Offer Price</b>	\$0.15 per New Share.
<b>Official Quotation</b>	Quotation on the official list of the ASX.
<b>Option</b>	An option to subscribe for a Share.
<b>Prescribed Persons</b>	Meaning set out in Section 5.8.
<b>Prospectus</b>	This prospectus.
<b>Record Date</b>	7.00pm (Sydney time) on Wednesday, 26 May 2021.
<b>Register</b>	The Company's register of members or optionholders, as the context requires.
<b>Rights Issue</b>	A non-renounceable pro-rata entitlement offer to Eligible Shareholders of 1 New Share for every 11 Shares held at the Record Date at an Offer Price of \$0.15 per New Share, with 1 free attaching New Option for every 2 New Shares issued.
<b>Section</b>	A section of this Prospectus.
<b>Section 606</b>	The takeovers prohibition in section 606 of the Corporations Act (that is, the 20% voting power threshold).
<b>Securities</b>	Shares and Options issued by the Company.
<b>Share Registry</b>	Boardroom Pty Limited (ACN 003 209 836).
<b>Shareholder</b>	Registered holder of a Share.
<b>Shares</b>	Fully paid ordinary shares in the capital of the Company.
<b>Shortfall Securities</b>	New Securities offered under the Rights Issue (including under the Top-Up Facility) for which valid Applications have not been received by the Closing Date.
<b>Terms of the Offer</b>	The terms and conditions set out in this Prospectus, including any modifications made by the Company.
<b>Top-Up Facility</b>	The top-up facility under which Eligible Shareholders may apply for additional New Securities in excess of their Entitlements as described in Section 2.12.
<b>Underwriter</b>	Chaleyer Holdings Pty Ltd (ACN 066 215 478).
<b>Underwritten Amount</b>	The amount of \$1,000,000.
<b>Underwriting Agreement</b>	An underwriting agreement dated 20 May 2021 between the Company and the Underwriter.
<b>US</b>	The United States of America.
<b>USPTO</b>	The United States Patent and Trademark Office.

**Corporate Directory****Directors**

Mr Matthew Driscoll - Chairman

Mr Warren Murphy – Managing Director

Mr David Mazyck – Director

**Company Secretary**

Ms Rebecca Prince

Ms Laura Newell

**Registered Office**

Level 12, Grosvenor Place

255 George Street

Sydney NSW 2000

**Website**

<http://www.carbonxt.com>

**Share Registry\***

Boardroom Pty Limited

GPO Box 3993

Sydney NSW 2001

Tel: 1300 737 760

**Legal Advisers**

Thomson Geer

Level 14, 60 Martin Place

Sydney NSW 2000

**Auditor\***

Ernst & Young

200 George Street

Sydney NSW 2000

*\*These entities are included for information purposes only. These entities have not been involved in the preparation of this Prospectus.*



Carbonxt Group Limited  
ACN: 097 247 464

BoardRoom

All correspondence to  
Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001

Tel: 1300 737 760 (within Aust)  
Tel: + 61 2 9290 9600 (outside Aust)  
Fax: + 61 2 9279 0664

[www.boardroomlimited.com.au](http://www.boardroomlimited.com.au)  
[corporateactions@boardroomlimited.com.au](mailto:corporateactions@boardroomlimited.com.au)

## NON-RENOUNCEABLE ENTITLEMENT OFFER ENTITLEMENT AND ACCEPTANCE FORM

Subregister:

HIN / SRN:

Entitlement No:

Number of Shares held  
at 7.00pm (AEST) on  
Wednesday, 26 May 2021  
(Record Date):

As an Eligible Shareholder, you are entitled to acquire the New Shares below for the amount payable. Your entitlement is to **New Share for every 11 Shares held at the Record Date at an Offer Price of \$0.15 per New Share with 1 free attaching New Option for every 2 New Shares issued**. The New Options will have an exercise price of \$0.24 each and expire on 21 June 2023. The prospectus dated 21 May 2021 (Prospectus) contains information about investing in the New Securities and you should read the Prospectus before applying for the New Securities. This Entitlement and Acceptance Form should be read in conjunction with the Prospectus. If you do not understand information provided in the Prospectus, or you are in doubt as to how you should deal with it, you should consult your licensed financial adviser, accountant, stockbroker, lawyer or other professional adviser. Other than as defined in this Entitlement and Acceptance Form, capitalised terms have the same meaning as defined in the Prospectus.

**OFFER CLOSES: 5.00pm (AEST) Wednesday, 16 June 2021**

### A Entitlement Acceptance

(1) If you wish to accept **YOUR FULL ENTITLEMENT**, please note your Entitlement and requisite Application Amount specified below and return this Form together with your **PAYMENT** by cheque or money order **or alternatively make a payment by BPAY in which case you DO NOT NEED TO RETURN THIS FORM**.

Entitlement New Shares	Offer Price (per New Share)	Application Amount \$
	\$0.15	

(2) If you wish to accept only **PART OF YOUR ENTITLEMENT** please complete the boxes below with the **NUMBER OF NEW SHARES** you wish to accept under your Entitlement and the requisite Application Amount and return this Form together with your **PAYMENT** by cheque or money order **or alternatively make a payment by BPAY in which case you DO NOT NEED TO RETURN THIS FORM**.

Part Acceptance of Entitlement New Shares	Offer Price (per New Share)	Application Amount \$
	\$0.15	

### B Application for additional New Shares under Top-Up Facility

If you have accepted **YOUR FULL ENTITLEMENT** and wish to apply for additional New Shares, please complete the boxes below with the **NUMBER OF ADDITIONAL NEW SHARES** for which you wish to apply and the requisite Application Amount payable.

Number of additional New Shares	Offer Price (per New Share)	Application Amount \$
	\$0.15	

### C Calculate total Application Amount (if applying for additional New Shares)

If you are applying for additional New Shares, please calculate and complete the boxes below with the **TOTAL NUMBER OF NEW SHARES** and requisite Application Amount payable by adding the number of New Shares to which you are entitled under your Entitlement (**Section A (1)**) to the number of additional New Shares for which you are applying (**Section B**), and return this Form together with your **PAYMENT** by cheque or money order **or alternatively make a payment by BPAY in which case you DO NOT NEED TO RETURN THIS FORM**.

Total Number of New Shares (A (1) + B)	Offer Price (per New Share)	Application Amount \$ (A (1) + B)
	\$0.15	\$

Additional New Shares will only be allotted if available.

If the person completing this Form is acting for the Eligible Shareholder, the return of this Form, together with payment of the requisite Application Amount or payment by BPAY, will constitute acceptance of the Entitlement Offer by the Eligible Shareholder, and if that person is acting under Power of Attorney, he/she states that he/she has not received notice of revocation and that he/she has authority to accept the Entitlement Offer.


### Payment Instructions

Payment may only be made by BPAY®, cheque or money order. Cash will not be accepted via mail or at Boardroom Pty Limited. Payments cannot be made at any bank.

**REFER OVERLEAF FOR INSTRUCTIONS**

## Payment Option 1 – BPAY®

If you pay for your Entitlement by BPAY®, which is highly recommended in light of delays to postal services caused by the COVID-19 pandemic, it is not necessary to return this Entitlement and Acceptance Form. Your payment must be received by the registry before 5.00pm (AEST) on Wednesday, 16 June 2021.

	<b>Billers Code:</b>	<b>Telephone &amp; Internet Banking - BPAY®</b> Contact your bank, credit union or building society to make this payment from your cheque, credit or savings account. More info: <a href="http://www.bpay.com.au">www.bpay.com.au</a> @ Registered to BPAY Ltd ABN 69 079 137 518
	<b>CRN:</b>	
<ul style="list-style-type: none"><li>To pay via BPAY® please contact your participating financial institution</li><li>If paying by BPAY®, you do not need to complete and return this Entitlement and Acceptance Form</li></ul>		

## Payment Option 2 – Cheque or bank draft

- Only cheques or bank drafts in Australian dollars and drawn on a bank or financial institution in Australia will be accepted.
- Your cheque or bank draft must be made payable to "Carbonxt Group Limited" and crossed Not Negotiable.
- Please ensure that you submit the correct amount. Incorrect payments may result in your application being rejected.

### Please enter your contact details in case we need to contact you in relation to your application

CONTACT NAME	EMAIL ADDRESS	TELEPHONE

This document is of value and requires your immediate attention. If in doubt, please consult your stockbroker, solicitor, accountant or other professional advisor without delay.

The offer to which this Entitlement and Acceptance Form relates does not constitute an offer to any person who is not an Eligible Shareholder, and in particular is not being made to Shareholders with registered addresses outside Australia or New Zealand. This Entitlement and Acceptance Form does not constitute an offer in the United States of America (or to, or for the account or benefit of, US Persons) or in any jurisdiction in which, or to any persons to whom, it would not be lawful to make such an offer.

## ACCEPTANCE OF THE OFFER

By either returning this Entitlement and Acceptance Form together with your payment of the requisite Application Amount to Boardroom, or making payment by BPAY®, by 5.00pm (AEST) on Wednesday, 16 June 2021:

- you represent and warrant that you have read and understood and agree to the terms set out in this Form and acknowledge you have read the entire Prospectus issued in connection with the Entitlement Offer;
- you represent and warrant that you are not located in the United States or a U.S. Person as defined under Regulation S of the U.S. Securities Act of 1933 (**U.S. Person**) and are not acting for the account or benefit of a U.S. Person or any other foreign person;
- you provide authorisation to be registered as the holder of New Securities acquired by you and agree to be bound by the constitution of Carbonxt Group Limited; and
- your application to acquire New Securities is irrevocable and may not be varied or withdrawn except as allowed by law.

## HOW TO ACCEPT NEW SECURITIES OFFERED

- BPAY® payment method:** The requisite Application Amount payable by you in order to accept your Entitlement in full is shown in **Section A** on the first page of this Form. If you accept your full Entitlement and wish to apply for additional New Securities, please complete **Sections B and C** (to determine your total Application Amount payable). Contact your Australian bank, credit union or building society to make this payment from your cheque, savings or credit account. For more information visit: [www.bpay.com.au](http://www.bpay.com.au). Refer to the front of this form for the Billers Code and Customer Reference Number. Payments must be received by BPAY® before 5.00 pm (AEST) on Wednesday, 16 June 2021. If the BPAY® payment is for any reason not received in full, the Company may treat you as applying for as many New Securities as will be paid for by the cleared funds. Shareholders using the BPAY® facility will be bound by the provisions relating to this Offer. **You are not required to submit this Form if you elect to make payment using BPAY®.**
- Cheque payment method:** The requisite Application Amount payable by you in order to accept your Entitlement in full is shown in **Section A** on the first page of this Form. If you apply for your full Entitlement and wish to apply for additional New Securities, please complete **Sections B and C** (to determine your total Application Amount payable). Send your cheque/bank draft and the completed Form to Boardroom Pty Limited at the address shown below so as to reach the Share Registry before the close of the Offer at 5.00 pm (AEST) on Wednesday, 16 June 2021. A reply-paid envelope is enclosed for your convenience.
- Payment – overseas residents:** Eligible Shareholders who are overseas must obtain a bank draft in Australian currency payable on a bank in Australia, or where the Eligible Shareholder has an account with a bank in Australia, by a cheque drawn on that bank within Australia. Overseas eligible shareholders are advised to ensure their form and payment are posted to Australia by airmail. Personal cheques drawn on overseas banks in Australian or any foreign currency will not be accepted. These will be returned and the acceptance deemed to be invalid.

**Mailing Address:**  
Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001

**Hand Delivery Address:**  
Boardroom Pty Limited  
Level 12, 225 George Street  
Sydney NSW 2000

## Privacy Statement:

Boardroom Pty Limited advises that Chapter 2C of the Corporations Act 2001 (Cth) requires information about you as a Shareholder (including your name, address and details of the Shares you hold) to be included in the public register of the entity in which you hold Shares. Information is collected to administer your Shareholding and if some or all of the information is not collected then it might not be possible to administer your Shareholding. Your personal information may be disclosed to the entity in which you hold Shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on this Entitlement and Acceptance Form.

Our privacy policy is available on our website (<https://www.boardroomlimited.com.au/corp/privacy-policy>).